Daily Report

Latin America

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Venezuela

In his State of the Nation speech before a joint session of Congress, President Carlos Andres Perez said that the government's "most urgent task" was the recovery of the Venezuelan people's faith in democracy, Caracas TV reports. Perez commented on the 10 March "pot-banging" demonstrations, stating: "I admit that this activity, which was critical and festive at the same time, contained a message of deep social protest. It would be irresponsible on my part not to realize it was a call for change in the attitude of our leadership."

Honduras

LA PRENSA reports President Rafael Leonardo Callejas' warning that the territories that Honduras and El Salvador are disputing will belong to Honduras, "regardless of who lives there," if the decision of the International Court of Justice is favorable. According to Callejas, the United Nations has been asked to supervise the disputed territories and to "prevent the domestic agreements signed by the Salvadoran Government and the rebels from affecting the Honduran-Salvadoran territorial conflict," which is subject to a decision by the ICJ. The president's statement was in reference to remarks by FMLN Commander Rogelio Martinez, who described the occupation of the disputed territories by Salvadoran guerrillas as part of a "psychological war, the purpose of which so far is unknown."

Area Banana Trade Conference Opens

FL1303015292 Bridgetown CANA in English 1955 GMT 12 Mar 92

[Article by Peter Richards]

[Text] San Jose, Costa Rica, March 12, CANA—The first-ever meeting of agriculture ministers and those responsible for banana trade policy in the Caribbean and Central America, began here Thursday with Costa Rica urging greater co-operation between the two regions.

"The spirit of this meeting lies in maintaining an unconditional dialogue which could achieve positive results for both sides," Costa Rican Foreign Minister Dr Bernd Niehaus Quesada told the opening session.

Quesada said Central American countries understood the importance of bananas to English-speaking Caribbean economies.

"We hope there is similar understanding from the Caribbean for Central America," he added. "Bananas are important to all our countries... therefore the Central Americans and the Caribbean must unite...."

The talks were convened against a background of uncertainty over continued protection of the British market for English-speaking Caribbean banana exports in view of the coming single European market.

Caribbean producers fear exposure to competition in a liberalized European market from more efficient "dollar" banana producers in Latin America, would mean the death of their industry.

Quesada said he hoped the meeting, being attended by delegates from St. Lucia, St. Vincent and the Grenadines, Grenada, Jamaica, Belize, Suriname, Panama, Nicaragua, El Salvador, Guatemala, and Honduras, would be the first "of greater efforts in various fields".

After the opening ceremony, Quesada told CANA increased cooperation between the Caribbean and Central America was possible once there was the political will.

Jamaica's Agriculture Minister Seymour Mullings, speaking on behalf of the English-speaking Caribbean, said the region would not embrace a Costa Rican proposal for protecting Caribbean banana exports in a liberalized European market.

"Costa Rica's proposal is that you solve the problem by tariffication and for the proceeds to go to the smaller producers," Mullings told the opening session of the meeting.

"It is a proposal that we have not embraced; we wish to continue to debate this particular proposition ... that European countries have put to us and we have suggested to them that we would rather have a quota system."

"This is a Caribbean position," he added.

Jamaica, Belize, and the Windward Islands of St Lucia, Grenada, St Vincent and the Grenadines and Dominica are the main English-speaking Caribbean banana exporters.

Mullings said English speaking Caribbean exports last year represented just about 11 percent of the total European banana market.

"We (will work) hard to ensure that we maintain this tiny market because it is of critical importance to us because it represents an industry that provides much of the foreign exchange that we need ... and employment."

Mullings said the Caribbean's concern was to ensure that its farmers "remain in business and that they get a good price for their bananas".

"It is for this reason that we are very happy that this meeting is taking place...," Mullings said.

One of the main objectives of the meeting here is to analyze and promote consensus on a Costa Rican proposal before the Uruguay Round of world trade talks for improved access to Europe for Latin American and Caribbean bananas.

Mullings said [word indistinct] agreement between the European Community and African, Caribbean and Pacific (ACP) states under the Lome Convention, ensured "they will enjoy a position on the market no less favourable than obtains at the present time".

This agreement, he said, will expire in the year 2000.

Cuba

Russia To Finish Construction of Juragua Plant

FL1303132892 Havana Radio Progreso Network in Spanish 1209 GMT 13 Mar 92

[Text] The Foreign Ministry and the Atomic Power Ministry of the Russian Federation announced today that this republic of the former USSR will complete the construction of the Juragua Nuclear Plant in Cuba. The INTERFAX news agency reported that a Cuban delegation, headed by Ernesto Melendez, president of the State Committee for Economic Cooperation, meet yesterday with Yegor Gaydar, first deputy president [title as heard] of the Russian Government. The two officials established the deadlines and conditions to conclude finishing work at the Juragua Nuclear Plant. They also studied future conditions of bilateral cooperation on a new economic basis.

Russia expressed its interest in continuing building different development initiatives in the industrial and energy sectors in Cuba, once the financial and technical difficulties that surfaced after the beginning of the Juragua plant five years ago are overcome.

Ukrainian Relations Raised to Ambassadorial Level

FL1303030192 Havana Radio Rebelde Network in Spanish 0000 GMT 13 Mar 92

[Text] Cuba and Ukraine formalized today the establishment of diplomatic relations after a meeting in Kiev between First Vice Foreign Minister Alcibiades Hidalgo and Ukrainian Foreign Minister Anatoliy Zlenko. The two diplomats spoke about the current situation and the outlook for bilateral ties, and they agreed to raise to ambassadorial level the relations between Kiev and Havana.

The Cuban delegation met with Chairman of the Ukrainian Supreme Soviet Ivan Plyushch and other officials of that country, which is the second largest of the former Soviet Union. In all the meetings, the parties reiterated their mutual desire to strengthen ties. The government of Kiev reiterated its appreciation for the help the Cuban people had given to overcome the aftereffects of the Chernobyl disaster, which occurred in April 1986.

Cuba recognized the independence of Ukraine in December 1991; the signing of a five-year trade agreement followed.

Aldana Calls Political Reshuffle Normal

PA1203134392 Hamburg DPA in Spanish 2321 GMT 11 Mar 92

[Text] Havana, 11 March (DPA)—Rejecting speculation by the foreign media, a high-ranking member of the Cuban hierarchy has stated there is no "mystery" behind the replacement of historical leader Manuel Pineiro.

In an interview with the German news agency DPA, Carlos Aldana—the person responsible for the ideology behind the Communist Party of Cuba (PCC)—stated: "I do not know whether we have to give a reason (for the replacement). Just trying to explain this decision surrounds this decision with a mystery that it does not have."

Aldana suggested, however, that the replacement of the legendary "Commander Red Beard" —known by this name because of the reddish beard that Pineiro once had—is part of a renewal process within the Cuban leadership. This process is aimed at replacing the leaders of the "old guard" with young members of the new generation.

Pineiro once directed the Central Committee's now defunct America Department and was in charge of the PCC's relations with Latin America's political and revolutionary organizations for 30 years. Because of this, he was frequently accused of "promoting subversion" throughout the continent.

His replacement, Jose Arbesu—his former colleague at the America Department and head of the Cuban Interests Section in Washington—was perceived, outside of Cuba, as the end of the policy that supposedly promoted revolution in Latin America.

Aldana told DPA that speculations about this subject "have nothing to do with reality."

Speculations also linked the replacement to the reduction in Pineiro's responsibilities after Aldana—who is considered to be the most influential person in the Communist hierarchy after Fidel and Raul Castro—took over as head of the PCC's international relations.

In the course of the extensive DPA interview, Aldana stated: "Because of his background, his charisma, and the fact that he is a member of the PCC's Central Committee, Pineiro enjoys respect, love, admiration, and esteem."

Aldana emphasized: "The colleague who is replacing him is one of the persons closest to him, one of his closest collaborators. Thus, there should not be the slightest doubt these changes did not happen from one day to the next, or anything like that."

After recalling that Pineiro headed the America Department for "a great number of years," Aldana stated that "nobody can spend all his life at the head of an office."

Aldana confirmed that Pineiro will have new responsibilities within the party, but did not elaborate on those responsibilities. He noted that "when these new responsibilities are known, there will no longer be any doubts."

When asked about eventual new changes within Cuba's political hierarchy, Aldana stated that the Cuban leadership is not static nor motionless, and that there is a "spirit" of renovation.

Aldana indicated: "It is not that there is a program of changes, but we will do whatever is necessary, whatever is appropriate, and whatever is intelligent and appropriate."

Aldana added: "I would say that we are all exposed to changes, that nobody is irreplaceable. Nobody, absolutely nobody." He stressed: "In that sense, it (Pineiro's replacement) constitutes a signal. The idea of a static and frozen (leadership) has nothing to do with our mentality and our position."

He noted that an example of this is the Politburo's present organization. The Politburo was reorganized extensively during the party congress in October 1991 when young people like Roberto Robaina and Carlos Lage became members.

Aldana added the leaders who have been replaced "continue to enjoy respect and esteem," and in some cases "we are talking about people who have a hierarchy that cannot be changed by any congress, because they are historical hierarchies. These people continue to have the same responsibilities they had before leaving the Politburo."

In making reference to one such case—the case of veteran Sierra Maestra combatant Vilma Espin, Raul Castro's wife, who left the Politburo in October 1991 but continues to head the Cuban Woman's Federation—Aldana stated: "Vilma Espin is Vilma Espin, whether she is or she is not a member of the Politburo." He added that these leaders are opening the way to a new generation of leaders.

He concluded by saying: "We cannot take things to a point where a particular generation will hand (the leadership) over to another generation at a specific moment—that is totally irrational. We have to start creating a mixed relation between generations. We need to create a varied and diverse relation so these generations can coexist simultaneously within the Cuban leadership's (renewal) process."

Bonaire Notes Carlos Aldana on Elections

FL1203152492 Bonaire Trans World Radio in English 1130 GMT 12 Mar 92

[Text] An official of Cuba's Communist Party says noncommunists may run for office in the country's first direct legislative election later this year. Central Committee official Carlos Aldana said any individual may, in his words, fully exercise his civilian rights in the election as long as the person operates within the law. However, he stated that the next Parliament will not be a multiparty institution. This means there will be no formal opposition party in Cuba.

Foreign Ministry Denies Training Haitian Refugees

PA1203161892 Havana Radio Havana Cuba in Spanish 0000 GMT 12 Mar 92

[Text] On 11 March, the Cuban Government reported that the arguments used by Haitian coupist authorities to prevent the return of refugees to Port-au-Prince from Guantanamo Province are groundless and false.

At a meeting with journalists accredited in Havana, Ramon Sanchez Parodi, vice minister of foreign relations, rejected a statement by Haitian authorities that the refugees are terrorists sent to Cuba by deposed President Jean-Bertrand Aristide to receive training.

Record Harvest Expected in Camaguey Province

FL1203173492 Havana Radio Reloj Network in Spanish 1510 GMT 12 Mar 92

[Text] Agriculture experts have projected that approximately 0.5 million quintals of vegetables will be harvested this month in Camaguey Province. If this projection is realized, the figure will be unprecedented in the province where the highest yield was that of March 1989 when 494,000 quintals were harvested.

People's Councils and self-sufficiency enterprises in Sancti Spiritus Province are tending approximately 930 caballerias which will help to increase food production. The residents of Sancti Spiritus Province fulfilled their winter planting goals in the state and cooperative sectors by planting 1,355 caballerias, the highest figure in their history.

Harvest Results in Guines Mixed Crop Enterprise

FL1203023692 Havana Radio Rebelde Network in Spanish 0000 GMT 12 Mar 92

[Text] Over 146,000 quintals of tubers and vegetables have been collected by contingents and mobilized workers working in the fields of the Vegetable Crops Enterprise in Guines. March should end with 205,000 quintals of agricultural products harvested. Of this figure, a large portion is potatoes.

The new stage of the potato harvest in the Guines Municipality in Havana Province should reach its maximum level by 15 March. By that date, 800 quintals of potatoes should be harvested daily. According to information received from Poder Puentes, vice director of the Vegetable Crops Enterprise in Guines, most of the work force of the potato campaign is composed of the camps of mobilized workers and the members of the contingents. These contingents are guaranteed the number of sacks needed to collect the high volume of tubers.

According to Puentes, they must fulfill the daily plan for each farm to be able to achieve the proper distribution of the workforce, since they must continue to weed and plant the spring varieties. These declarations were made by the vice director of the Guines Vegetable Crops Enterprise during the monthly emulation inspection called Operation Victory which was carried out in the El Cacho Camp where the Paths to Victory Contingent is located.

Members of the Pedro Ortiz Cabrera Contingent collected the highest amount of boniato during the harvest. El Marques, a camp for workers mobilized for two weeks at a time, collected the highest amount of ground-grown

tomatoes, together with the Joining the Rest Contingent of the provincial Union of Young Communists. In the collection of the (Manaluces) tomato, the Pedro Ortiz Cabrera Contingent came in first place. They were also selected as the best contingent of the previous month.

SUVP Exercise Ends With Positive Results

FL1203222692 Havana Radio Reloj Network in Spanish 2033 GMT 12 Mar 92

[Text] The second exercise for perfecting and testing the Unified Vigilance and Protection System [SUVP] concluded in Camaguey with positive results in the fight against crime. The exercise named "No One Will Succeed Against the People" began on 11 February. There was an evident increase in the capability of the police, which counted on the active participation of the people.

During the exercise in Camaguey, exemplary trials were carried out in work centers with the participation of the workers, and in neighborhoods with the presence of the residents. These trials demonstrated the great efforts of the masses in the prevention and control of criminal activities. During the SUVP exercise, members of the Committees for the Defense of the Revolution and labor guards were filled with new spirits of determination.

Havana Announces New GRANMA Tabloid Format

FL1203151992 Havana Radio Progreso Network in Spanish 1200 GMT 12 Mar 92

[Text] Beginning on Saturday [14 March], which is the centennial of the newspaper PATRIA and Cuban Journalism Day, the newspaper GRANMA will be published temporarily in a tabloid format with the purpose of achieving better use of its space. Although the tabloid size contains the same amount of paper and therefore space, it allows for either eight or 12 pages of publication which will permit better distribution and organization of the articles.

Commentary on U.S. Hostility, Others' Solidarity

PA1203225192 Havana Radio Havana Cuba in Spanish 1430 GMT 12 Mar 92

[Commentary by Miguel Cabrera: "Solidarity Versus Aggression"]

[Text] The United States does not miss an opportunity to attack Cuba economically and politically. Anti-Cuba bills have been looming in the U.S. Congress for years. These maneuvers have increased following the collapse to which the former Soviet Union and the former socialist camp were led.

Aware of the fact that a significant part of our trade was carried out with those regions, which are now unquestionably bankrupt, Washington has aimed bills against the Cuban Revolution and Fidel Castro, the leader of a government legitimately chosen by the Cuban people.

A bill known as [words indistinct] is the latest anti-Cuba bill looming in the U.S. Congress. This bill is no different from previous bills intended to destroy socialism in Cuba [words indistinct].

At the most recent UN Human Rights Commission meeting, the United States shamelessly exerted pressure to advance its position. It secured a Pyrrhic victory. Many countries abstained from voting and many others voted against the U.S. resolution, something that Washington did not expect.

While the most powerful country in the world engages in these activities against a small Caribbean island, independent forces in many countries are demonstrating growing solidarity with the Cuban Revolution and their support for Cuba's political independence.

Press reports indicate that the offices of the 300 mayors of Galicia, an autonomous Spanish territory, will ask UN Secretary General Butrus Ghali to demand that the United States suspend its economic blockade against the island and put an end to hostile actions against the Havana Government.

A group of 17 mayors will travel to Cuba on 17 March to deliver to the Cuban president a copy of the document addressed to the United Nations. The Galicians will also bring to Cuba a cargo of medicine as a symbol of the support Cuba has among the Spanish people.

Meanwhile, the Central Committee of the Communist Party of Chile has issued a statement noting that the vote against Cuba at the UN Human Rights Commission is part of an intensification by Washington of an anti-Cuba effort, which was obediently supported, it adds, by governments that are trying to make points in the eyes of their international bosses.

Approximately 70 Chilean writers and artists have also condemned the Chilean Government's vote against Havana.

Havana Reports PRC Staying on Socialist Path

FL1303030492 Havana Radio Rebelde Network in Spanish 0000 GMT 13 Mar 92

[Text] Beijing's Foreign Ministry today declared: China's position of insisting on the Chinese Communist Party's fundamental lines shows the Chinese people's determination to succeed in modernizing. During a press conference, Chinese Foreign Ministry Spokesman Wu Jianmin thus defined one of the matters brought up at a plenum of the Politburo of the Chinese Communist Party which was held on 9 and 10 March.

A special communique on that meeting highlighted the building of the economy as lying at the heart of the party's work, and perseverance in socialist ideals and principles as the two basic pillars for attaining the modernization of China.

Lastly, the text emphasized that China is marching along the path of socialism with Chinese characteristics.

Dominican Republic

IAPA Calls Castro 'Enemy' to Freedom of Press

FL1203185892 Santo Domingo Cadena de Noticias in Spanish 0930 GMT 12 Mar 92

[Text] On the final day of the semiannual meeting of the Inter-American Press Association [IAPA] held in Santo Domingo, the delegates agreed to declare Fidel Castro as the main enemy of the freedom of the press in the continent. The decision is enclosed in the report on freedom of the press, which was approved, country by country, by the 169 delegates who have been meeting in Santo Domingo since 8 March. The discussion of the Cuban issue, which occupied the longest time, also included, among other measures, the creation of a special commission of the Freedom of the Press Committee of the IAPA, which will maintain a continuous watch and will work toward the creation of the conditions necessary to establish freedom of speech in Cuba. James McClautchi will head this commission in his role as president of the IAPA.

On another aspect of the resolution, the board of directors of the IAPA approved demanding from the Castro regime the end to the persecution of Cuban citizens for simply trying to exercise their basic rights of freedom of speech and association. Likewise, the resolution includes a motion formally requesting that the Cuban Government allow access to its territory and institutions by the so-called international free press. The delegates at the meeting also approved the resolution which demands from Castro the beginning of the democratic process, including the complete rights of a free press.

Haiti

Ratification Session Postponed to 16 Mar

FL1203160792 Port-au-Prince Radio Tropic FM in French 1430 GMT 12 Mar 92

[Text] The ratification of the Washington agreement will not take place today. Contrary to what was announced, the Parliament vote on the document providing for a negotiated solution to the crisis has been postponed to 16 March. This postponement will better pave the way for the vote. Let us listen to Senate President Dejean Belizaire for an explanation.

[Begin Belizaire recording] It is true that we are in dialogue with the executive. The executive has shown a genuine willingness to cooperate and work with us in order to progress in the negotiation process. Indeed, we are in charge of paving the way. We have been (?invited) to postpone the convocation. We will unquestionably have our National Assembly so the parliamentarians can provide a constructive verdict on the agreement. [end recording]

Deputies Urge Ratification Session on 16 Mar

FL1203235192 Port-au-Prince Radio Tropic FM in Creole 2030 GMT 12 Mar 92

[Text] The Conference of the Committee Presidents and the Political Blocs in the Chamber of Deputies, in a communique just issued this afternoon, notes that the highest interests of the nation must come before everything else.

As a consequence, the Parliament, as the codepository of the national sovereignty, in conformity with Article 58 of the Constitution, must act quickly to help the country overcome the deadlock that it is facing today.

Additionally the deputies ask Mr. Belizaire to take all necessary measures for holding the National Assembly session on 16 March.

In addition to the signatures of the committee presidents and political groups within the Chamber of Deputies, the communique also includes the signature of Doctor Alexandre Medard.

Belizaire Interviewed on Meeting With Executive

FL1203233192 Port-au-Prince Radio Metropole in French 1700 GMT 12 Mar 92

[Interview with Senate President Dejean Belizaire by correspondent Clarence Renois, in Port-au-Prince on 12 Mar—recorded]

[Excerpts] Following the first meeting between the executive and the presidents of both Chambers, Senator Dejean Belizaire states that he is convinced that the executive power wants to cooperate with the legislative power. A dialogue, according to Senator Belizaire, will not prevent the continuing process for the ratification of the agreement signed in Washington on 23 February. This meeting, according to Belizaire, will favor a conclusion to the crisis in agreement with the provisional executive. Let us listen to his statements.

[Begin recording] [passage omitted] [Renois] Are you going to follow the executive's request, which asked for a 21-day moratorium in the framework of these talks?

[Belizaire] No! You know that once the agreement is ratified we have many other steps to work on. During this time we will remain in close communication with the executive in order to facilitate the implementation of the agreement as long as the agreement is ratified by the legislators. Even if this agreement is not ratified, it would still be necessary to keep in close contact with the executive in order to find together the implications of such a refusal.

[Renois] Have you perceived, Mr. Belizaire, the willingness of the executive to talk, to negotiate, and to accept an implementation of the agreement in case it is ratified by the legislators?

[Belizaire] You see, I rarely reveal my opinion of others. However, I can say that, based on the conversation that we have had with the executive, I am confident.

[Renois] A last word: Mr. Belizaire, the three-member ministerial committee has specified in a communique, issued last night, that some concerns were raised on the legal reservations of the executive in the convoking of the National Assembly, but not against the president of the Parliament, or against the parliamentarians themselves. You said earlier that the National Assembly would be convened on 16 March. Are you going to find an agreement with the executive, or will the executive itself do it?

[Belizaire] You see, at the Parliament level, I already have the mandate to act. We are then talking with the executive and we will find an agreement with it. One way or the other, the National Assembly will be convened. [end recording]

Draft Ratification Bill Submitted to Chambers

FL1203232692 Port-au-Prince Radio Tropic FM in French 2000 GMT 12 Mar 92

[Text] The five-member parliamentary committee that is working on writing the decree concerning the country's political decisions gave, yesterday afternoon 11 March, the text of the proposal to the presidents of both Chambers under highest secrecy.

No details were provided on the exact terms or the provisions of this bill. However, the nullity of the Honorat government, and the exhaustion of Article 149 of the Constitution, which appointed Judge Joseph Nerette to the provisional Presidency, are key provisions of the bill, according to reliable parliamentary sources.

Deputy Criticizes Ratification Vote Postponement

FL1203235292 Port-au-Prince Radio Tropic FM in French 2000 GMT 12 Mar 92

[Text] La Chapelle Deputy Ancelot Vernort, member of the Nationalistic Progressive Revolutionary Party of Haiti [PANPRA], led by Serge Gilles, has rejected in a communique issued today the decision of the two Chamber presidents to postpone to 16 March the session of the National Assembly scheduled for today.

Deputy Vernort has noted that the joint communique from the Senate and the Chamber of Deputies is contrary to the arrangements taken by the conference of the presidents. Consequently, this decision does not satisfy the assembly's expectation, according to the La Chapelle deputy. On the other hand, he suggests the formation of a committee in charge of writing a letter of condemnation to the president of the Chamber of Deputies, Mr. Alexandre Medard. This committee must also issue a text publicly to denounce what Deputy Vernort calls, quote: the shrewd intrigue of the president, who is trying to jeopardize the development of a solution to the crisis. Unquote.

MIDH Supports Agreement Signed With Aristide

FL1203193892 Port-au-Prince Radio Metropole in French 1145 GMT 12 Mar 92

[Text] The Movement for the Establishment of Democracy in Haiti [MIDH] supports the agreement signed between the parliamentarians and Father Aristide. The party, led by Marc L. Bazin, thinks that there are two fundamental points in this agreement on which no one should compromise: the question of general amnesty which, according to Bazin, all Army members must be given; and the rejection of foreign military forces in the country.

Finally, the MIDH would like to pursue discussions between the Parliament and the executive in order to reach a satisfactory solution for all. Statements made by MIDH President Marc L. Bazin will be heard later in this broadcast.

Former Mayor Urges Cooperation To End Crisis

FL1203222492 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 12 Mar 92

[Interview with Evans Paul, former mayor of Port-au-Prince, by unidentified correspondent; place and date not given—recorded]

[Excerpts] [Correspondent] Evans Paul, former mayor of Port-au-Prince, says the country cannot condone the political crisis that has been weighing it down for over five months. Everyone should make an effort to implement the Washington agreement. In a statement to the radio, former Mayor Paul believes it is everyone's patriotic duty to come together to end the terror the people are experiencing today.

[Paul] [passage omitted] As elected mayor of Port-au-Prince, member of the Committee for Democratic Unity, and spokesman for the National Front for Change and Democracy, I want to make all sectors of the nation, inside and outside of the country, understand. As one who participated in the drafting of the agreement, I want to declare solemnly that this agreement is a political document, a document of political compromise between the legitimate powers to restore the reign of law in the country so that the president, Jean-Bertrand Aristide whom the people elected on 16 December, can return to power without vengeance, repression, or any kind of violence. No sector should be worried. [passage omitted]

[Correspondent] The former mayor of Port-au-Prince says that he has not gone to city hall since the 30 September coup for three reasons. First, as a sign of support to Father Jean-Bertrand Aristide after the coup;

second, for health reasons, as a result of the torture which the military inflicted on him during the month of October; and third, he has not been extended protection.

Paul also urges the two people who currently lead city hall to remember that they were elected by the people.

[Paul] It is a question of principle. You should beware when misfortune befalls a friend of yours, because the same thing can happen to you, too. I was elected, as was President Aristide. I cannot believe he was deposed, which happened; and I did not think it right to continue while people were dying in the midst of this crisis which has prevailed in the country since 30 September. [passage omitted]

Civilians Issue Call For Historical Compromise

FL1203224692 Port-au-Prince Radio Metropole in French 1145 GMT 12 Mar 92

[Text] A group of Haitian professionals has issued a call for a historical compromise in order to end the crisis and save the country from an imminent socioeconomic catastrophe. Those signing this call emphasize that the cessation of imports of fuel, propane, and cooking gas during the OAS embargo has provoked the cutting of 10,000 trees a day. Only two percent of forests are left in the country. They also point out that the income or food needs of over 4 million inhabitants are directly affected by the agricultural crisis. The export industry has dismissed more than 45,000 workers and 1,800 professionals. As for education, they write that 250,000 registered students have not gone back to school since January because the parents cannot afford the school fees or assure daily food to their children.

Those signing also urge that 1992, a transition year in the history of our country and in the hemisphere, mark a new departure by a political pact and a social contract.

Those signing this document include: Rony Desroches, former national education minister; a bank manager, Jocelyne Fettiere; and some known businessmen, such as Pierre Chauvet and Reynold Bonnefil.

Salinas Comments on Positive Economic Results

PA1303005492 Mexico City Red Nacional 13 IMEVISION Television in Spanish 1300 GMT 12 Mar 92

[Report by Juan Manuel Pereira]

[Text] President Carlos Salinas de Gortari stated that the Mexican Government is making progress with the development program it has devised for the country. This statement by President Salinas was based on four points:

1. The federal government's surplus during the month of January amounted to 8 billion pesos. In this manner, the government's initial economic policy criteria for 1992 was accomplished.

2. Over the past 60 days the internal debt has decreased by 5 percent. Outstanding internal debt now stands at 15 percent of the Gross National Product [GNP].

3. The current 10 percent interest rate charged on borrowed funds indicates an evident fall in inflation rates.

4. For the first time in history, Bank of Mexico reserves exceeds the total balance of the monetary base.

[Begin Salinas recording] I have insisted that all these results are due to the efforts of all Mexicans. It has come about mainly by all parties honoring what was initially negotiated and agreed upon. Precisely, through national dialogue and a concerted effort, we have been able to forge ahead in the direction we have planned. [end recording]

These statements were made by President Salinas de Gortari at the closing ceremony of the 48th National Exporters and Importers Association Annual Congress. He also pointed out that Mexico's strategy toward the rest of the world is fundamentally based on diversification and competitiveness. In addition, he urged all Mexican businesses to relate more to the international market.

[Begin Salinas recording] Mexico strengthens and benefits through bilateral exchange. It would not be possible to respond to the needs of all Mexicans if we decided not to expand and instead decided to remain fixed. [end recording]

The Mexican president also referred to this issue when he inaugurated the Sixth Annual Attorneys Congress. President Salinas also indicated that the changes currently taking place are intended to strengthen Mexico's sovereignty and make society more free and democratic. He added that these changes must have permanence and continuity, and called upon all Mexicans to do their best in a concerted effort.

Hungarian Minister Delivers Letter to President

LD1203231792 Budapest MTI in English 2058 GMT 12 Mar 92

[Text] Mexico City, March 12 (MTI)—Hungary attaches great importance to its new-type relations with the United Mexican States, Hungarian Prime Minister Jozsef Antall said in a letter sent to Mexican President Carlos Salinas de Gortari. Antall emphasized that the forthcoming visit to Hungary of the Mexican president would offer an excellent chance for deepening bilateral relations.

The letter was handed over to the Mexican head of state by Foreign Minister Geza Jeszenszky, who arrived in Mexico, the first leg of his Latin American tour, today. During their half-an-hour consultation, Salinas de Gortari and Jeszenszky exchanged views on world policy affairs, the situation of Central America and Central Europe, and bilateral relations.

Jeszenszky conferred with Mexican Foreign Minister Fernando Solana Morales, and met senior Congress officials.

El Salvador

Implementation of Peace Accords Viewed, Assessed

Cristiani Says 'No Crisis'

PA1203173292 San Salvador Canal Doce Television in Spanish 0300 GMT 12 Mar 92

[Text] President Alfredo Cristiani said on the evening of 11 March that there is no crisis concerning fulfillment of the peace accords. During the last few days both the guerrillas and opposition parties have voiced their unhappiness over what they call the alleged disappearance of the security corps, while government and Army representatives have dismissed these allegations.

President Alfredo Cristiani said, without being specific, that there is confusion among the Farabundo Marti National Liberation Front [FMLN] and opposition spokesmen.

[Begin Cristiani recording] I think there may be some lack of information, and even some confusion over what has taken place. But for our part, we have complied with the agreement. [end recording]

Concerning the official visit initiated on 11 March by Marrack Goulding, UN assistant secretary for peace affairs, the president said the purpose of Goulding's visit is to verify the implementation of the general peace accords. In addition, he dismissed a possible crisis in the execution of the agreements.

[Begin Cristiani recording] I would say that it would be the opposite. Mr. Goulding is present to observe that the situation is improving and to see that all goes smoothly. [end recording]

Regarding the case of the drug traffickers who were reportedly planning an attempt on the life of Pablo Escobar Gaviria, Cristiani voiced satisfaction with the job done by the Executive Drug Unit. He added that the Colombian investigation committee, which will arrive in the country on 12 March, will investigate the whereabouts of the bombs stolen from the Air Force.

[Begin recording] [Cristiani] It is possible that the commission will try to gather more information in order to follow up on the investigation of three bombs that left the country.

[Reporter] [Question indistinct]

[Cristiani] No, it does not presume anything. [end recording]

Finally, the president ruled out any armed action on the Honduran border. He said both countries are committed to respecting the ruling issued by the International Court of Justice on the border dispute.

Zepeda on Agreements

PA1203173492 San Salvador Canal Doce Television in Spanish 0300 GMT 12 Mar 92

[Text] Deputy Defense Minister General Juan Orlando Zepeda, a member of the National Commission for the Consolidation of Peace, said on 11 March that the agreements to purge and reduce the Army are being kept. He explained that the agreements do not establish that all public security corps members will be discharged. We are not obligated to dismiss all Treasury Police and National Guard personnel; we are only going to transfer them into the Army. That is what we are doing, Gen. Zepeda stated.

[Begin Zepeda recording] Nowhere do the agreements say the National Guard will disappear and its personnel will be dismissed. The agreements say these corps will no longer perform public security and order functions, and their personnel will be transferred to the Army. That is exactly what we did. I want to say that the Armed Forces have gone beyond the terms of the agreements, because the National Guard will review each member's personal situation. Approximately 45 to 50 percent of them will be dismissed or retired. They will return to civilian life under a process that is necessarily slow. [end recording]

Gen. Zepada was referring to the accusations made regarding the police. He added that the kind of drastic and sudden measures wanted by the Farabundo Marti National Liberation Front [FMLN] would be irresponsible and dangerous.

[Begin Zepeda recording] The agreements do not say the buildings will disappear. The fact that personnel are there does not constitute a violation. It would be a violation if they continue to imprison, or to combat crime, or to pursue the FMLN. That would be a violation, and let us understand it that way. We cannot discharge...[pauses] it would be dangerous to discharge 100 percent of the personnel. That would be more dangerous, and we cannot do it. [end recording]

Although the FMLN has violated or failed to comply with the agreements, the important thing is to use adequate means to maintain the will to save the peace process, according to Gen. Zepeda. Commenting on the involvement of a military chief in the unlawful sale of weapons of mass destruction, he said the Armed Forces will continue combating internal corruption or unlawful activities in order to adhere to their constitutional duties in a professional manner.

FMLN Said To Violate Agreements

PA1203194592 San Salvador Radio El Salvador Network in Spanish 2030 GMT 11 Mar 92

[News conference by El Salvador Presidency Minister Oscar Santamaria and Deputy Defense Minister Mauricio Ernesto Vargas with unidentified local correspondents, moderated by Mauricio Sandoval; at the Presidential Palace in San Salvador—live]

[Text] [Sandoval] We are here to answer your questions. If your cameras and videos are ready, then we can begin.

[Reporter] First of all, we would like to know the status of the concentration of the Army at the established sites. We have recently heard charges from the guerrillas and from some government sectors that Farabundo Marti National Liberation Front [FMLN] is not abiding by part of the agreements. They claim the FMLN is behind in the schedule established in the agreements.

[Santamaria] I am going to answer part of the question, and then I would like General Vargas to expand on this matter.

We have advised the UN Secretariat General and the UN Observers for El Salvador [ONUSAL] director in the country that the 2 March deadline for the FMLN to concentrate in the established sites, as these areas are referred to in the agreements ...[rephrases] you may remember that this schedule is one of the steps established in the agreements to be followed by the parties involved. In the section on ending the armed confrontation, it was stated that the concentration would take place between 6 February and 2 March. Unfortunately, on 2 March the FMLN announced it had not completed the concentration before the established deadline. The FMLN then sent a document to ONUSAL advising it that the concentration would take place between 2 and 15 March.

On 11 March we met with ONUSAL members Iqbal Riza and Gen. Victor Suanzes to discuss the process of concentration and what was happening. Gen. Suanzes told us the FMLN had begun the concentration as established in the document they presented to ONUSAL, and it was expected the process would be completed by 15 March. Once again we wish to advise you that this process of concentration was not being carried out in the established timeframe. It was a unilateral decision made by the FMLN; therefore, the agreements have been violated.

[Sandoval] Deputy Defense Minister Gen. Mauricio Ernesto Vargas.

[Vargas] As for the Armed Forces, the concentration at the 62 sites established in the agreements was completed by 2 March. The Armed Forces has therefore completed its process of concentration, as established by the United Nations and in the peace agreements.

[Reporter] What can you tell us about the Treasury Police and National Guard becoming border and military police?

[Vargas] The reorganization of the Armed Forces must be viewed as a whole. The reorganization of the Armed Forces includes a reduction in force and the removal of public security duties. Within this context, the duties of the Armed Forces will be those established in the amended 1983 constitution. The constitution states that the duties of the Armed Forces are to protect the integrity of the country and the sovereignty of the state. Our borders—land, air, or maritime borders—are part of the country's sovereignty.

The Treasury Police and National Guard were eliminated as public security corps. These organizations were placed under the Armed Forces. There will be a 50.2 percent reduction in force, and the Armed Forces will be reorganized in accordance with the constitution. As I have already said, the integrity of the country and sovereignty of the state are among the duties of the Armed Forces. Borders are an important part of a country's integrity and sovereignty. As I said earlier, there are the land, air, and maritime borders. The constitution has been amended, and the reorganization of the armed institution will have to take into consideration the new duties it has been assigned within this amended constitution. Likewise, within the context of the reorganization we felt it would be appropriate to have a military police. This military police will have no dealings with the civilian population. It is strictly an administrative and military police within the institution. It will be a force that will be used strictly for the protection of military installations and garrisons. This military police is included in the reorganization. We can add that it is included in the agreements and approved by the United Nations.

[Reporter] Gen. Vargas, Commander Joaquin Villalobos just recently denied what you are saying. Regarding the security corps, the FMLN say it is a strategy by the government and the Army to keep the security corps alive. They claim that you only changed the names. They claim that it is a military strategy. As far as the FMLN is concerned, this is against the agreements, and they believe this could endanger the concentration of the guerrillas in the established sites. Villalobos said during a news conference that as long as the security corps are not eliminated, as established in the agreements, no rebel would feel safe laying down his weapon. What do you think of this?

[Vargas] I would have to stress that my answer is clear. No party involved, much less the FMLN, has the right to interpret the agreements. There cannot be different interpretations of the agreements. The Treasury Police and the National Guard were eliminated as public security forces on 2 March. This was done in accordance with what is established in the agreements and the schedule. As far as this being an idea thought up by the government, I am not going to start a war of confrontation. The truth will eventually prevail. I definitely believe there is an international verification instrument, ONUSAL, and a local verification and supervision instrument, National Commission for the Consolidation of Peace [Copaz], which will be responsible for determining who is right or wrong. What I will not accept is having the process destabilized with concepts of an ideological and propagandistic nature or with rhetoric. We want real, specific reasons; we want proof. We have the means to discuss any problems we may have. We have ONUSAL and Copaz. Those are the only two organizations responsible

for ensuring that the agreements are being respected. If one of the parties involved is not happy about something, then it should approach ONUSAL and Copaz.

[Reporter] [Words indistinct] workers demonstrating and protesting for several reasons. They are protesting the fact that the National Association of Private Enterprise [ANEP] does not want to join the dialogue. What do you think of this?

[Santamaria] I believe we must study the contents of the agreements. We must read and reach conclusions. Everyone has been invited to join in the dialogue, but no one is being forced to participate. Each sector will decide whether they wish to participate. Each sector will decide how they wish to participate. Everyone has heard, and we have heard, that ANEP has said they will participate in a dialogue if the conditions are right for a dialogue. They have said that some of the things happening right now make them think the conditions are not right for the dialogue. In that case, we must analyze their reasons for not participating in the dialogue. Whatever the other sectors might say, well, they are sectors that also have their own principles and convictions. They also have their views as to what should or should not be done in the country. We are living in a democratic country where everyone is free to express himself within the framework of the law. Therefore, the views of ANEP are nothing more than their expression of what they believe should be the background for a dialogue. We do not have the authority to force them to participate. As I said earlier, everyone is being invited to participate. The topics to be broached have been decided on, as has how the dialogue will be developed. But I repeat, it is up to each sectors to decide to participate.

[Reporter] Dr. Santamaria, politically speaking we would like you to tell us if the changes made within the Treasury Police and National Guard were made according to the agreements. Some sectors are saying these are only cosmetic changes and not real changes.

Also, in regard to the sale of bombs to Colombian drug traffickers, we would like to know if you have contacted the Colombian Government and what the Salvadoran Government is doing about this. The rebels have taken advantage of this situation. They have said that some Army and some rightist and extreme rightist sectors have been dealing with drug traffickers for a long time.

[Santamaria] Regarding the security corps, we believe the agreements are very clear. The agreements state that the National Guard and the Treasury Police will be eliminated as security corps. In other words, they will not be responsible for public security and will become a part of the Army. It has been decided that the National Guard will become the border guards and military police.

There are formal steps that must be taken in order to do this, so that, as Gen. Vargas mentioned earlier, their new duties will be in accordance with the amended constitution. There is currently talk that the National Guard and Treasury Police will fall under the Army. This is what the agreements state. This issue was brought up when the agreements were discussed. This is nothing new. The issue was brought up in Queretaro [Mexico]. The role, or future, of the National Guard and Treasury Police, once their duties as security corps were eliminated, was discussed and agreed on in Queretaro. Therefore, there is nothing confusing about this.

Some FMLN representatives are claiming other things, but as we said earlier, they should not attempt to interpret the agreements. If they have doubts, then they should approach the verification organizations, which in this case would be ONUSAL and Copaz. As a matter of fact, UN Undersecretary General Marrack Goulding will be arriving in El Salvador tomorrow. Mr. Goulding is responsible for carrying out the verification of the Salvadoran peace process, at its highest level. We believe everyone will have the opportunity to express and clear up any doubts they may have and be advised of the correct interpretation of the agreements. Making unilateral statements and groundless charges does not contribute to the situation or better inform the Salvadoran people of the implementation of the agreements. We do believe that the agreements clearly state what was going to happen with the security corps and what they would become once the Armed Forces was reorganized. The agreements clearly state that the members of those two corps would join the ranks of the Army.

Regarding the second part of your question, we read in the press about that common crime. This matter is in the hands of the Judicial Branch. We have heard that the drug laws were broken and that state property, in this case weapons not commonly found on the market, has been stolen. The weapons that were stolen are for the private use of the Army. We believe this matter is being investigated by the courts. To comment on this at this moment would be inappropriate. We must wait until an investigation has been conducted. We all know that an investigation is held to determine the truth. We regret, and at the same time condemn, the fact that members of the Air Force are involved in this matter. As you and the Salvadoran people know, we acted immediately to bring the guilty parties to justice.

[Reporter] [Words indistinct] Someone from the foreign press has sneaked into this news conference for the local press.

Going back to the question on Villalobos' statement—I know you did not want to mention his name. On 10 March, one of the FMLN commanders said they will not lay down their weapons if the problem of the Rapid Deployment Infantry Battalion [BIRI] is not solved. I believe that is a pretty strong statement, and not in accordance with the good faith and spirit we have seen since the agreements were signed. How would you interpret the fact that one of the commanders who sat around the negotiating table with you is now saying they will not lay down their weapons if the BIRI problem is not

solved? Do you consider this discouraging and disheartening? Do you believe this could endanger the peace process?

[Santamaria] I believe it is now very important for us to advise the Salvadoran people that the climate of trust this peace represents is created by abiding by the agreements. In order for us to have a firm and lasting peace and for the Salvadoran people to feel we have entered a definitive phase, the agreements must be respected. If one of the parties involved publicly states that it is not going to abide by the agreements, then it is sending a negative signal to the country and the Salvadoran people. By doing this, the party casts doubt on its firm political will, its positive attitude, and its sincerity and honesty toward the agreements the party has signed. We believe this is not the best way to approach the situation. If that party believes that the agreements are not being respected, then he should approach the appropriate authorities. The appropriate authorities will then give us the correct interpretation of the agreements, and we will implement them as scheduled. That is why we said ONUSAL and Copaz are the organizations responsible for the verification and supervision of the agreements. Those are the organizations they must approach and to which they must present their charges so that they may give us the correct interpretation of the agreements and make suggestions and recommendations on what should be done. That is what we, the government, have done.

The government did this with the land issue, when we did not agree with the delay in the concentration to the established sites. We have never stated publicly that we are not going to abide by the agreements. We are abiding by the agreements, and we are going to continue to abide by the agreements because it is the only way to create trust among the people. It is the only way to let the people know we have entered a peace phase. To do otherwise would not be the right thing at this moment, especially after making such extraordinary efforts during the negotiations and signing the final agreements.

[Reporter] [Words indistinct] present charges before Copaz; however, Copaz is currently facing a crisis. We cover Copaz. We have seen that the members are late for meetings, that they have differences among them; on 10 March, we heard talk of a crisis. ONUSAL does not seem to have the authority to force the parties involved. Who will hear the complaints if there is a power vacuum?

[Santamaria] We have always said the process is very complex. Implementation of the agreements is not easy. There are always obstacles and problems. This is why I mentioned political will. We must have political will and a positive attitude toward peace. I believe we are working to implement the agreements and to reach peace for the good of the nation. The interests of a few must not overshadow peace for all Salvadorans. A process is underway and the verification organizations are participating in this process. Copaz has its rules, and these rules state how differences will be handled. These differences could occur when interpreting the agreements. Copaz is an organization responsible for the verification and supervision of the agreements; therefore, it will encounter problems. The Copaz representatives are aware of the important role they are playing and of their responsibilities. It is not easy. It would not be fair to say Copaz is not doing its work. Copaz has given us more than enough proof of its reliability. We must show Copaz we trust them. The parties involved must show Copaz it is trusted.

ONUSAL has also been playing a very important role in the verification process. We are constantly consulting with ONUSAL. We are constantly asking them for their opinions and advising them of decisions we make. The government has been doing precisely that. The government is giving these organizations all the credit they deserve. That is why I mentioned that the UN undersecretary general is arriving on 12 March. He will be informed of all that has been done to date, and of what will be done in the future. He will also be informed of the problems encountered by the verification organizations. I believe this will be a good time to talk to UN Undersecretary General Marrack Goulding in order to discuss the problems we have encountered, some of which are yet to be solved.

[Sandoval] Any other questions? Then the news conference has ended. Thank you, Dr. Santamaria. Thank you, Gen. Vargas. Thank you, members of the press.

FMLN Accusatory

PA1203233492 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0000 GMT 12 Mar 92

[Station commentary]

[Text] Government efforts to cause alarm and manipulate the land issue, and its failure to fulfill the agreement to dissolve the security forces, will not help to steer the peace agreements toward the right path. Almost six weeks have passed since the formal cease-fire was signed, and only now the military is waking up and taking note of the scope of the peace agreements. Now it turns out that Deputy Chief of Staff General Mauricio Vargas, a government delegate to the negotiations, dares to argue that what we discussed for almost two years and signed in January was not the dissolution of the National Guard and Treasury Police as security organizations.

Now, of course, the ranking military chiefs have sent Vargas to tell us that we should not feign ignorance because we knew all about the border guard, that the military police comprise a military system, and God knows what else. It is absurd that at this point, when the agreements should be fully implemented, that they are accusing us of verbal terrorism and feigning forgetfulness, when it is clear that the Armed Forces intend to keep the ill-named security forces intact. Now we understand why the government lacked the resolve to create the new National Civil Police, the only armed police force that will exist in El Salvador.

The people and the fighters of the National Army for Democracy [END] will not tolerate any more deception or irreconcilable agreements. It has been made clear over the past two months since the signing of the peace agreements that the Salvadoran people had yearned for peace, but peace with justice, land, and respect for human rights, and that the latest events leave much to be desired in the behavior of the government, the Armed Forces, the business hierarchy, and ultraright wing sectors that murder labor leaders.

Gentlemen of the High Command and government, you cannot continue to cover the sun with a finger. Everyone knows who is responsible for the delay in implementing the agreements, and in the case of the military police [four second break in reception] the people are alert to the faithful fulfillment of the agreements that were signed, and to international verification, which should actively play its role in resolving these irregularities.

Thus, Vargas' confrontational and insulting words have no place in a society that has decided to shake off militarism forever. The Salvadoran people want and are struggling for our society's total demilitarization, and the Farabundo Marti National Liberation Front is and will be the guarantee whereby this goal, which is dear to Salvadoran society, is accomplished.

Special Commission Created

PA1303042192 San Salvador Radio Cadena Horizonte in Spanish 1815 GMT 12 Mar 92

[Text] The National Commission for the Consolidation of Peace in El Salvador [Copaz] has decided to create a special subcommission to study reports on the government's failure to disband the security organizations, which were incorporated into the Army. Copaz delegate Ciro Cruz Cepeda said that the special subcommission, the members of which have not yet been designated, will carefully consider everything related to reports by the Farabundo Marti National Liberation Front [FMLN] and opposition parties that the government has failed to comply with the Chapultepec Agreements with regard to disbanding the National Guard and the Treasury Police to release a resolution that appeals to the peace agreement signatories.

The decision to create this special subcommission is the result of a Copaz meeting on 11 March, during which it was debated whether to deliver a report of the protest to [words indistinct], UN assistant secretary for peace, who is in El Salvador on a visit.

[Begin Cruz recording] We in Copaz feel that [words indistinct] some of the agreements have not been complied with according to schedule. This has stirred a discussion within Copaz. In particular, the FMLN protested that the security organizations, which should have been disbanded, only had their names changed and kept the same structure they had from the beginning. Because we believe this merits revision, we have asked to create a special subcommission within Copaz to look into these reports and then issue a resolution to prevent speculation and either side trying to take advantage of the lack of communication. Nevertheless, the arrival of [words indistinct] in the country was also discussed. Copaz will invite him to express his interpretation of the agreements and say whether there is any violation of the agreements. [end recording]

The government and the FMLN have accused each other of failing to comply with the pledges that have resulted from the negotiations. The government has been accused of failing to disband the security organizations. The FMLN has been accused of [words indistinct]. Yesterday Copaz started to discuss the noncompliance reports. However, apparently the meeting was unable to complete the study of the reports. Consequently, the commission will meet again on Friday 13 March, with an agenda that will feature these reports as the first point of debate and that will also include other topics of national interest.

[Begin Cruz recording] The FMLN people agreed to debate in the next meeting the illegal occupation of lands, touch again on the disbanding of the security organizations, and seek mechanisms to control the problem of crime, which has escalated rapidly in the country. [end recording]

Last week, Copaz decided to meet regularly on Wednesdays and Fridays and debate everything related to the task assigned to it according to the peace agreements and its own regulations. Meanwhile, the Copaz subcommissions have been meeting separately to discuss the thorny problem of the National Police, as well as electoral matters.

Minister Denies Troops in Disputed Areas

PA1203231892 San Salvador Radio Cadena YSU in Spanish 1800 GMT 12 Mar 92

[Report by Enrique Lemus]

[Text] Foreign Minister Dr. Jose Manuel Pacas Castro has categorically ruled out the presence of Salvadoran troops in an area under dispute with Honduras, as reported by Honduran official sources. The report stated that some of the land in disputed areas has been distributed to Salvadorans. Dr. Pacas Castro said that the Salvadoran troops are in concentration zones in accordance with the peace accords. The foreign minister also referred to U.S. military aid following reforms to the Salvadoran Armed Forces.

[Begin recording] [Pacas] That is absolutely and completely false. Salvadoran troops are concentrated in the agreed upon places in accordance with the Chapultepec Agreements. There is no military presence in any of the disputed areas and there never has been. To the contrary, the Salvadoran Government always has and will continue to faithfully abide by international agreements. In this particular case, the Honduran Peace Agreement, which commits both governments to not carrying out

any acts that may alter the status of area inhabitants. This area has not had a Salvadoran military presence for a very long time, because as I have already said, this is part of the agreements. Troops from both countries have remained out of the disputed areas. This is the Salvadoran Government's decision and commitment and this is going to be the current and future attitude. There will be no military presence in disputed territories and the status quo will be respected, just as they were when the peace agreements were signed.

[Unidentified reporter] [Words indistinct]

[Pacas] I believe that the Armed Forces have been receiving this sort of training and aid from the U.S. Government. Included are arms and ammunition, nonlethal military equipment such as uniforms, helicopter spare parts, and even fuel in certain cases, plus the training of Salvadoran troops abroad. It is obvious that all this will not be necessary in the future. What is necessary are normal requirements for the Armed Forces of a society and country at peace and the Salvadoran Government has requested that this type of assistance be maintained as with other countries. To tell you the truth, I do not know what the U.S. Congress has decided, however, we understand that military aid was to be maintained, $65 million, part of which is to support peace, part to support some military groups that will be demobilized, and another part to continue as military aid. I understand that this would amount to between $35 million to $38 million. I do not know the terms for the final decision, but [words indistinct]. [end recording]

Dr. Pacas Castro issued these statements after signing a donation agreement with the Japanese Government. The document was signed by the Salvadoran foreign minister and Japanese Ambassador Sumio Ono. The donation, which amounts to $4.5 million, is part of Japan's contribution to the national reconstruction plan.

Honduras

Callejas Says UN May Supervise Disputed Areas

PA1303023892 San Pedro Sula LA PRENSA in Spanish 12 Mar 92 p 8

[Text] Puerto Cortes—President Callejas warned on 11 March that if the decision of the International Court of Justice at The Hague is favorable, the territories over which Honduras and El Salvador are disputing will belong to Honduras, regardless of who lives there.

The president made this statement in reference to remarks by FMLN [Farabundo Marti National Liberation Front] Commander Rogelio Martinez, who described reports of the disputed territories' occupation by Salvadoran guerrillas as part of a psychological war, the purpose of which so far is unknown.

"It is not a psychological war, it is a real situation because certain parts of those territories have been closed off with wire," Callejas said, referring to Dolores Canton in Lempira Department.

Callejas added that this is why the United Nations has been asked to supervise the areas in question and to prevent the domestic agreements signed by the Salvadoran Government and rebels from affecting the Honduran-Salvadoran territorial conflict, which is subject to a decision by the top court of justice based in The Hague in the Netherlands.

Callejas discussed this and other issues of national interest on 11 March during a visit to the port city of Puerto Cortes, where he officially inaugurated the construction of the San Pedro Sula-Puerto Cortes Highway.

The president also commented on statements by Hector Orlando Vasquez, president of the Patriotic Committee for the Defense of Human Rights, who was released on 11 March by the police. Vasquez said that he gave the president the names of individuals who murdered Miguel Angel Pavon and Moises Landaverde.

"I met with him once and he gave me some general information. I suggested that he report the case to the Attorney General's Office, which deals with such reports," Callejas said.

With regard to the country's economic situation, Callejas promised that over the next two years there will be substantial improvement in the people's standard of living due to economic growth.

With regard to his party's political situation, Callejas said that his party's presidential hopefuls, Rodolfo Irias Navas and Nora de Melgar, must seek an answer that will represent the party's well-being.

Callejas also said that the creation of the Presidency Ministry—the candidate for which is Ricardo Maduro—has been suspended, adding that if it is not created, Maduro can always count on an office at the Presidency.

The president also referred to the situation in Venezuela, where a recent attempt was made to topple President Carlos Andres Perez. He said that the result of that situation will have repercussions on the continent. "Venezuelan society will seek other options," he said.

Panama

Foreign Minister on Relations With Peru

PA1303011092 Panama City EL SIGLO in Spanish 12 Mar 92 p 2

[Text] Foreign Minister Julio Linares has said that "we do not believe that it would be appropriate at this time to send our ambassador to Lima. Relations between Panama and the Peruvian Government are quite tense, as we are demanding a more effective investigation in the case of the two former Panama Defense Forces [PDF] members who were in that country enjoying diplomatic asylum."

Linares said that the government of President Alberto Fujimori must adopt a more positive attitude, because we have the right to request a more comprehensive investigation into the disappearance of these two gentlemen, who are wanted by the Panamanian authorities.

Normalization of relations between Panama and Peru depends on the Panamanian Government. We recalled our ambassador in Lima because the situation has aggravated the Panamanian Government.

The case, as is known to the public, involves Gonzalo "Chalo" Gonzalez and Heraclides Sucre, two former soldiers who are wanted by the Panamanian authorities on several charges, including murder, and who are now missing.

Upon being asked about the Canal Area Road, Building, and Bridge Maintenance Office [OMVEPAC] case, Foreign Minister Linares said that as a responsible public official, he had advised Attorney General Rogelio Cruz that, as head of that law enforcement agency, he should carry out the appropriate investigation and determine the facts in this inconvenient incident. According to an article published by EL SIGLO, "several Christian Democratic legislators are investigating the disappearance of over $1 million in agricultural equipment and the removal of $35,836.80 in construction materials donated by the Panama Canal Commission. Linares said that the case left much to be desired, as OMVEPAC is a department of the Foreign Ministry. The attorney general must now advise the public of the results of the investigations, Linares said.

Communique Issued on Cooperation With Colombia

PA1303152192 Panama City EL PANAMA AMERICA in Spanish 12 Mar 92 p 9a

["Text" of joint communique by President Guillermo Endara Galimany and Colombian President Cesar Gaviria Trujillo, issued in Panama on 11 March]

[Text] Following an invitation by His Excellency Guillermo Endara Galimany, president of the Republic of Panama; His Excellency Cesar Gaviria Trujillo, president of the Republic of Colombia, visited the Republic of Panama to participate in the inauguration of the 10th International Trade Fair of Panama.

The presidents discussed issues of world and regional interest and agreed that solidarity and cooperation among Latin American states is the fundamental basis for the progress and well-being of the people.

They EMPHASIZED the traditional ties of fraternal friendship uniting both nations and they reiterated their decision to strengthen Latin American unity.

They AGREED to promote a plan of economic, scientific, and technical cooperation for both countries. This plan includes technical assistance and the exchange of information for the creation and implementation of projects of mutual interest.

In that sense, they reconfirmed the principles that inspired the Cultural Agreement signed by the two nations in 1984, and emphasized the need to draft a program that would allow them to implement the aforementioned bilateral agreement.

They ACKNOWLEDGED that the illegal traffic of drugs is a scourge for humanity, and agreed to develop strategies to control drugs effectively, such as strengthening their judicial systems to facilitate its permanent elimination.

They DETERMINED it is of great importance to embark on studies that will lead to the creation of bilateral agreements related to legal cooperation and to develop joint operations to fight all forms of crime.

They AGREED to review the creation of a Neighbor Country Commission to find solutions to matters of migration, development of the physical infrastructure, administration of natural resources, and the development of the border area in general, with the purpose of subsequently obtaining international cooperation and technical assistance to meet those objectives.

President Endara praised the efforts the Colombian Government has made in the area of cooperation with Central America, and the opening of Colombian markets to the region's exportable products.

They CONFIRMED the interest both governments have in supporting studies to determine if the electrical systems of Central American countries could be connected with the countries that form the Group of Three (Colombia, Venezuela, and Mexico), particularly the phase related to the connection of the electrical systems of Colombia and Venezuela with Panama. This is aimed at taking the maximum advantage of the region's energy resources.

They EXPRESSED their firm determination to participate in the exchange of experiences, studies, programs, methodology, and legislation aimed at establishing cooperation—cooperation which should be efficient and expeditious—in the area of tourism. They also reiterated their determination to increase and facilitate tourism between the two countries.

They STRESSED that any matter that might affect the territorial integrity and the effective sovereignty of Latin American states is of the utmost importance for all the countries of the continent.

President Gaviria expressed his approval over the Republic of Panama's efforts in favor of an orderly transference of the Panama Canal and its administration on 31 December 1999. He also stated his desire to support Panama in the observance of that historical obligation.

[Issued] Panama City, capital of the Republic, on 11 March 1992

Chile

Navy To Join UN Peacekeeping Force in Cambodia

PY1303233392 Santiago Radio Chilena Network in Spanish 1600 GMT 12 Mar 92

[Text] The Chilean Navy has been invited to participate in the peacekeeping force the United Nations will deploy in Cambodia in late April. This was disclosed by Defense Minister Patricio Rojas, who said that Chilean officers will participate in this force along with their British, New Zealand, and Uruguayan counterparts.

Minister Rojas added that the Chilean officers will patrol maritime regions and rivers.

[Begin Rojas recording] We agreed to the proposal because we want the Chilean Navy to participate in this international operation, in this peacekeeping force, the largest in the UN's history, which will involve more than 20,000 men from various countries. [end recording]

Rojas added that 55 Chilean Navy officers will participate in the force for nine months.

Rojas said that the proposal to amend the article of the Constitution that states that the Armed Forces commanders cannot be replaced—which was announced by President Patricio Aylwin yesterday—will only take effect once the current commanders have completed their term.

German Ambassador on 'Solution' to Honecker Case

PY1203220592 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 11 Mar 92

[Text] German Ambassador to Chile Wiegand Pabsch said today that the solution to the Honecker case does not require much negotiation, because Russia has always been willing to hand over Honecker as soon as he leaves the embassy in Moscow.

[Begin Pabsch recording] Russia is involved in the matter and has never denied it. It is willing to take the responsibility for the case. Russia has always assured us that once Honecker's guest status ends, it will hand him over to Germany. This has been made very clear; it has always been very clear. This is why there is no need for much negotiation. [end recording]

Army Unveils First 'Lynx' Air Defense System

PY1303002592 Madrid EFE in Spanish 1548 GMT 12 Mar 92

[Text] Santiago, 12 Mar (EFE)—The Army Ordinance (FAMAE) of Chile is presenting at the seventh International Air and Space Fair (FIDAE '92) the first air defense system designed and manufactured in the country. FAMAE officials said today, Thursday, that serial production of this system will begin in 1993.

FAMAE executives and technicians presented full-scale models to the public for the first time at the air fair. They said that the system, known as "Lynx," will be sold to any country interested in purchasing it.

The technicians explained that the "Lynx" system consists of a short-range defensive system designed by FAMAE and the Chilean company Linktronic. It can protect blind spots not covered by large radar and air defense systems. The "Lynx" comprises a vehicle that carries a surveillance radar [radar de rebusca], a computer for the fire control system, and between five and nine vehicles with self-guiding rocket launchers.

The system includes a guidance equipment named Saclos-TV, designed by FAMAE and Linktronic, and British-made Javelin ground-to-air missiles which have been used by the Chilean Armed Forces for many years. The radar and rocket launchers are able to identify different types of aircraft.

The "Lynx" equipment is designed to be transported by "Mowag-Pirana" vehicles which are also manufactured by FAMAE.

The radar has a range of 20 km and can defend an area of 140 sq km, said the FAMAE technicians, who added that the low cost of the equipment makes it accessible to developing countries.

FAMAE officials refused to say if there were any interested countries, merely noting that the project would not have entered the manufacturing phase had there not been any. They did not supply any figures on the cost of the project or its price.

The "Lynx" is the second important project developed by FAMAE in the past few years; the first was the "Lightning" artillery rocket that was designed with the British Royal Ordnance company.

The officials said that a tracking radar system, for a fully automatic air defense system, is currently being developed. They indicated, however, that this system is still in the design stage.

Over 100 Arrested in Santiago Protests

PY1203171292 Santiago Radio Chilena Network in Spanish 1000 GMT 12 Mar 92

[Excerpt] Some 60 people were arrested during a demonstration near La Moneda Palace to protest the government's second anniversary. The demonstration was organized by the Popular Assembly [Asamblea Popular] whose leader, Ivan Carrillo, admitted that they had not been authorized to gather near the government house.

Carrillo added that 80 human rights organizations and relatives of political prisoners and arrested missing people participated in the meeting. He explained that it took place to protest the nonfulfillment of popular demands and the government's lack of credibility and action regarding the defense of human rights.

The demonstrators threw Molotov cocktails in front of La Moneda and were repelled by Carabineros with tear gas bombs and water cannons. The incidents lasted until 1400 and resumed at approximately 1800, forcing police to take action to disperse the demonstrators.

According to Metropolitan Intendant Luis Pareto, some 60 people had been arrested by that time; two Carabineros officers were wounded in the incidents.

Pareto said those responsible for these incidents will be punished.

Incidents also took place last night in La Bandera, La Pincoya, La Legua, Villa Francia, and La Victoria. More than 100 people had been arrested by late last night. [passage omitted]

Bomb Attacks Cause Blackouts in Santiago

PY1203173692 Santiago Radio Chilena Network in Spanish 1000 GMT 12 Mar 92

[Text] Bomb attacks last night caused blackouts in several areas of Santiago and the Sixth Region.

In Colchagua, a power outage occurred at 2008 after a bomb attack on ENDESA [National Electric Company, Inc.] high-tension tower No. 198 in the southwestern area of Los Rulos, on the bank of the Tinguiririca River. The attack was perpetrated with 1.6 kg of ammonium gelignite.

Juan Manuel Ramirez has the details:

[Begin recording] In addition to the attack on ENDESA tower No. 198, tower No. 192 in Alto Copita, Rapel Lake, was also attacked. Two other towers were knocked down last night at Tinguiririca Lake, causing blackouts in some areas of Santiago, particularly the southern sectors. The power outages lasted from half an hour to one hour and affected southern Santiago, Rancagua, and San Fernando. [end recording]

Police Chief: Lautaro Movement 'Falling Apart'

PY1203190792 Santiago Radio Chilena Network in Spanish 1000 GMT 12 Mar 92

[Text] Investigative Police Chief Horacio Toro has said that, strategically speaking, the Lautaro Movement is falling apart following its recent setbacks.

Toro added that the police are searching for Guillermo Ossandon intensively. Toro believes that Ossandon is a key player whose arrest will lower morale in the movement.

Toro said that if the whereabouts of Ossandon, aka Diego Carvajal, were known, he would already have been arrested, adding that they are trying hard to find him.

Senators Jarpa, Valdes Assess Aylwin Government

PY1203192992

[Editorial Report] Santiago Television Nacional de Chile Network in Spanish at 2330 GMT on 11 March carries a live interview with Senator Sergio Onofre Jarpa of the National Renewal and Senate President Gabriel Valdes of the Christian Democratic Party by announcer Cecilia Serrano.

Asked to evaluate the first two years of the Aylwin administration, Jarpa says: "Without any doubt, Chile has institutional stability which represents significant progress in the political, economic, and social fields and lays the foundation for further improvement." He adds: "I believe this is the result of the constitutional reform made at the conclusion of the previous government and the maintenance of economic policies based on a market economy. This created enough resources to enable progress to continue in the search for solutions to the most serious social problems. As the president said, the people's insecurity has become the main concern of all Chileans. I believe foreign policy has been conducted erratically, because it has lead us to a difficult situation. If this situation continues unchecked, more difficult situations may appear. I believe the government needs a more dynamic approach to solve the emerging problems. It seems that when situations like this emerge, no one in the government responds. No officials are changed, everything remains the same, and then everything falls on the president again."

Asked how he would rate the Aylwin administration, Jarpa replies that he would give it a six for its strengths and a two for its weaknesses. He says that he would give it an overall five.

Valdes is then asked to evaluate the Aylwin administration. He responds: I believe that these two years have been extraordinary ones I would even say they were historic for the Republic because the peaceful transition from an authoritarian regime to a fully democratic regime was made by all Chileans. This transition was lead by a man who has the legitimacy of great support in the elections and a very effective team. Of course, he had the support of the majority of his countrymen, as proven by all the polls. Chile has won praise from the international community for changing its political structure without affecting its economic structure. The administration in fact improved it within a very short time, beginning a period of peace in Chile."

Valdes says that violence is not just a Chilean problem, explaining that following the establishment of freedom in Chile some violent groups remained, but that the government is very effectively eliminating this problem.

Jarpa then refers to the Honecker case, saying that the president is constitutionally responsible for the country's foreign policy. He adds that the mistakes of the Foreign Ministry should not be blamed on the president. He added: "It seems incongruous to keep as ambassador to

Moscow an individual who is the biggest leader of Marxism-Leninism in Latin America after Fidel Castro, and who will always encounter many problems dealing with the anticommunist government that is running the destiny of Russia."

Jarpa also says that the government is sending a special commission instead of allowing the ambassador to deal with this issue. He comments that this shows that the government is also aware that Ambassador Almeyda cannot continue to represent Chile before the Russian Government. He says that if the Russian Government does not allow Honecker to come to Chile, which should be the normal procedure, then Chile should contact the UN high commissioner for refugees because if Honecker should be considered a refugee if cannot get asylum. Jarpa added that there was no need to invent the term of special guest, because a legal solution must be sought.

Valdes says he has criticized the handling of the Honecker case, but the president has now assumed responsibility for everything that happened in Moscow. Therefore, he said, we must support him.

Colombia

Foreign Ministry Statement on Gulf of Venezuela

PA1303015092 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 13 Mar 92

[Text] On 12 March, Colombia described as inconsistent statements by Humberto Calderon, Venezuelan minister of foreign relations, that the Gulf of Venezuela is and will continue to be Venezuelan.

In a statement issued on 12 March, Colombian Foreign Relations Minister Nohemi Sanin said that there can be no objection to Colombia's rights:

[Begin Sanin recording] Colombia reaffirms its claim to the marine and submarine areas to which it has a right in direct proportion to the extension of its coastline along the Gulf of Venezuela.

It is true that Venezuela has the right to a larger portion due to its dominant geographical presence in the area, but Colombia possesses clear and unquestionable rights under international law. This has been historically recognized.

Whether Colombia has a right is not in dispute; rather, it is the extension of those areas that belong to each country that is at issue. [end recording]

For the first time, the government suggested the possibility of using international arbitration to resolve the dispute over the marine and submarine areas of the Gulf of Venezuela.

[Begin Sanin recording] The Colombian Government hereby reaffirms the historical and juridical veracity of its claim over the marine and submarine areas of the gulf, and trusts that the demarcation process may be completed successfully by way of direct negotiations, if such negotiations prove to be viable, or by way of any other means of reaching a peaceful solution, as set forth in international law and the treaties currently in effect between the two countries. [end recording]

CNGSB Criticizes 'Inflexible' Government Stand

PA1203183592 Madrid EFE in Spanish 2038 GMT 11 Mar 92

[Text] Tlaxcala (Mexico), 11 Mar (EFE)—The Colombian Government and the Simon Bolivar National Guerrilla Coordinating Board, CNGSB, on 11 March discussed the procedures to be followed during the peace talks that were resumed on 10 March near the Mexican city of Tlaxcala.

Sources close to both delegations said the participants in the meeting, which will probably last five days, agreed that the 11 March session "would be informal."

The meeting between the CNGSB and representatives of President Cesar Gaviria's government began on 10 March in La Trinidad, 15 km from the capital of Tlaxcala State and 129 km from Mexico City.

Meanwhile, a CNGSB spokesman described as "aggressive and disruptive" a statement made on 10 March by Colombian Deputy Government Minister Hector Riveros. Among other things, Riveros said the guerrillas "are falling into the trap of violence."

Riveros also asked the rebels "to have the courage to defend their ideas without weapons," and demanded the immediate release of Colombians presumably kidnapped by the CNGSB.

The CNGSB spokesman said Riveros' words cast doubt on the peace talks, adding that intransigent positions such as the one he adopted will mean no progress in the dialogue to achieve peace in Colombia.

The sources described Riveros' speech as "inflexible" toward the peace efforts. They reiterated that the guerrilla organization has never been readier to negotiate and reach agreements.

The delegations are discussing human rights, the reduction of the Army, natural resources, corruption, democracy, a cease-fire, and the participation of public organizations in the National Congress.

The CNGSB is made up of the communist Revolutionary Armed Forces of Colombia (FARC), the Marxist Army of National Liberation (ELN), and a dissident faction of the Maoist Popular Liberation Army (EPL).

The meetings between the Colombian Government and the CNGSB began in June 1991 in Caracas. They were suspended in November due to differences among the delegates.

The site of the talks was changed at the Colombian Government's request due to the political problems that have been affecting Venezuela since the 4 February coup attempt.

The Colombian Government delegation is made up of presidential adviser Horacio Serpa and delegates Hector Riveros, Eduardo Diaz Uribe, Jorge Carrillo, Juan Carlos Posada, Gonzalo de Francisco, Jose Noel Rios, and Tomas Concha.

The CNGSB is represented by Alfonso Cano, Ivan Marquez, Guillermo Zuluaga, Tomas Lince, Pablo Catatumbo, Andres Paris, Antonio Garcia, and Diego Ruiz.

Mexican Ambassador to Haiti Sergio Romero is attending the talks as an observer.

Peru

Fujimori on Economy Minister, Fiscal Plans

PA1203213792 Lima Global de Television Network in Spanish 0100 GMT 12 Mar 92

[News conference by President Alberto Fujimori with unidentified reporters; place and date not given—recorded]

[Text] [Reporter] President Alberto Fujimori has denied that Economy and Finance Minister Carlos Bolona resigned, and has refused to comment further on this issue because of its speculative nature. As for his trip to Japan, Fujimori pointed out that he will try to obtain support for Peru's fight against drugs. He added that certain tax measures will be modified this week.

[Fujimori] There has not been even a hint of that resignation. We usually hold permanent discussions on current as well as medium-term problems. That is our permanent task within the economic-productive sector. There is no such resignation.

[Reporter] There are reportedly very strong differences, Mr. President.

[Fujimori] There is nothing to that. We have not even talked about it.

[Reporter] (?It is said that the minister) is somewhat displeased with the creation of the agrarian fund proposed by the agriculture minister. What about possible differences of this sort within the cabinet?

[Fujimori] Measures are adopted as a whole; each measure is part of a whole. They are not adopted by each minister. A comprehensive program is involved. It is important to understand that we must not produce isolated measures.

We are earmarking $50 million to the agricultural sector for the complementary campaign [campana complementaria]; this is important. This is obviously part of our program to revive certain productive sectors.

Different views are voiced during our discussions. We openly discuss our views within the cabinet, but we finally reach agreement, as was the case here. For example, if we discuss the general sales tax on rice, we must explain to the people in detail that this measure seeks to protect national ricegrowers. We do not want rice from other countries to be able to enter our country so easily. Different taxes should be levied on national and imported rice.

We are talking about a set of measures, I repeat, that seek simultaneously to bring about fiscal balance and to protect national production.

[Reporter] Is it that difficult to find a mechanism to overcome the current stalemate with regard to the dollar exchange rate?

[Fujimori] It is difficult. We made an attempt by imposing a 20 percent interest rate ceiling on incoming [golondrina] dollars in order to stop large inflows to Peru; unfortunately, we have been unsuccessful. This is caused by high interest rates. If interest rates are too high in Peru, foreign capital will come here because of higher profitability.

We are also coordinating efforts with the financial sector to reduce flat and floating interest rates by a few points.

[Reporter] By how much, more or less?

[Fujimori] I hope there will be a voluntary reduction of at least two points.

Settlement Residents Clash With Army, Police

PA1303043592 Lima Global de Television Network in Spanish 0100 GMT 13 Mar 92

[Text] Residents of the Armando Villanueva and San Martin de Los Olivos settlements blocked a section of the northern Pan-American Highway with rocks and other objects to demand a municipal decree that would establish the boundaries of the land they currently occupy.

The police were unable to disperse the angry protesters, and it proved necessary to call in several military units, which proceeded to break up the protest. The military units chased the protesters into the grounds of the settlements. Once inside, the protesters proceeded to throw rocks, bottles, and other objects at the police and soldiers, and an all-out clash ensued.

Settlement residents showed no fear of the police or the soldiers. To the contrary, they proceeded to launch a violent attack on the police and the soldiers, who were forced to shoot into the air to discourage the protesters.

When some of the settlement residents continued to resist, the soldiers were forced to act more aggressively, which unfortunately resulted in the death of one person and the wounding of two others by gunshot. Those wounded during the clash were taken immediately to the Cayetano Heredia Hospital.

Several hours later, residents of the Confraternidad settlement appeared in Lima Municipality, shouting insults against Mayor Belmont, whom they accuse of

siding with other settlements and passing a municipal decree recognizing their jurisdictional borders.

The police had to throw tear gas at the protesters, who counterattacked instead of dispersing. According to initial reports, no one was wounded during the protest march, although several people were arrested.

[Begin recording] [Unidentified reporter] These are the same protesters who blocked the northern Pan-American Highway this morning. They are demanding the rapid approval of a municipal decree that would fix the border of the settlement area where they live.

[Unidentified protester] It has been more than a year since we were granted a decree fixing the limits of the area where we are living. The mayor's office still has not implemented this decree, however, and that is why we are protesting today. We want the mayor's office to establish the border of our settlement now. [end recording]

Venezuela

President Perez Gives State of Nation Address

PA1203205192 Caracas Radio and Television Networks in Spanish 1420 GMT 12 Mar 92

[State of the Nation speech by President Carlos Andres Perez before a joint session of Congress at the Legislative Palace in Caracas—live]

[Text] President and Vice President of Congress; President and Magistrate of the Supreme Court of Justice; Your Eminence Cardinal Jose Ali Lebrun, archbishop of Caracas; President and other members of the Supreme Electoral Council; President and Magistrates of the Council of Judicature; former Presidents of the Republic, former President of the Government Junta; Members of the Presidential Consultative Council; Ministers of the Executive Cabinet; Governor of the Federal District; Comptroller General; Attorney General; Your Excellency Monsignor Apostolic Nuncio, dean of the diplomatic corps; Your Excellencies Ambassadors and Honorable Charges d'Affaires; Senators; Deputies; Officers and Admirals who are members of the High Military Command; Mayor of Libertador Municipality; President and Directors of the National Academies; Rectors of the National Universities; Presidents of Autonomous Institutions and State Enterprises; Venezuelan men and women:

The presentation of my third message to Congress takes place during an exceptional situation in our democratic life. The grave crisis we overcame after the frustrated coup d'etat attempt early on the morning of 4 February makes it urgently necessary for us as a nation to reformulate the institutional foundations upon which the democratic state is based. The country is looking to us with attention and expectation. It demands from all the leadership a change in conduct in order to reaffirm the credibility and faith in the merits and potential of democracy as a way of life and as an institutional system capable of facing, in an efficient and civilized manner, the economic, social, and ethical problems the Republic has been experiencing for many years.

If the coup attempt offended and shook our deepest democratic feelings, much more dramatic and worrisome was witnessing the crisis of the legitimacy of democracy—evident by many manifestations. This is the basic fact we should not hide or avoid. We are the ones responsible. Our conduct, shortcomings, and omissions throughout these decades began forming the framework for this reaction, which now deeply shakes our perception. It convinces us that the recovery of the Venezuelan people's faith in democracy is the most urgent task, which demands energetic and deep actions capable of turning back skepticism and incredulity as soon as possible.

I believe we have stopped being a country of dictatorships, and I am convinced that 90 percent of Venezuelans agree, while 10 percent—made up of distressed extremists who saw their totalitarian nostalgia sink when Stalinism and its dogmas collapsed with the antihistorical groups that are always present in our societies—will never prevail in the conscience and will of Venezuelans. It would be pathetic—and I refuse to accept it—that while the world rejects them, Venezuela is going to accept them. Neither one nor the other will pass; neither will they pass together, imitating each other as the press and television have showed them in recent weeks. I refrain from naming them, but I will not refrain from stating that one and the other are now together, provisionally united, but trying to determine who will defeat who if their utopia of a coup d'etat should be successful for them. They offer us bloodshed and chaos; one crisis after another.

It is the moment when Venezuela, amid an intense debate that democracy permits and requires, is getting ready to redefine its course to defend the momentous decisions the nation has undertaken in the reorganization of its institutions, clarifying circumstances and situations to find where agreements and disagreements lie and to determine the paths, without mistakes or conditions, for the great national transformation we have undertaken.

This process causes clashes among antagonistic positions. Innumerable confusions and uncertainties have created a pernicious atmosphere detrimental to the stability of democracy. Thus, the government has the unavoidable duty to accept a review of all its decisions to ensure its goals are understood, to make corrections if decisions are not based upon our country's reality; that is, should they be the product of mistakes in our attempt to establish a modernization process in Venezuela.

The current situation demands a review of the main guidelines of state and government behavior with all societal institutions. Senators and deputies will find, in

my report and those of each ministry, the details of the duties we have fulfilled at national and international levels.

The contradictions and antagonisms that I referred to exist in all democracies during times of deep crises. Astute and malevolent bearers of solutions that nourish on social problems and frustrations usually accompany heated controversies among various figures of national life. They gain access when stabilizing bases of the democratic system grow weak.

We cannot allow social confusion—which could have been caused by the magnitude of political and economic decisions that were inevitably traumatic for a society accustomed to subsidies and protectionism, regardless of whether these decisions were badly explained, exaggerated, or mistaken—to be used to manipulate the feelings or trust in the ability of democracy to make corrections or rectifications. This would give the opportunity to false and fleeting messiahs to manipulate public opinion and cause irreversible damage to Venezuela.

The success or failure of our goals will depend on the actions and omissions of the democratic leadership. The country is sending alert messages to the entire political and institutional leadership. On 10 March, certain areas of Caracas and other cities experienced the noise of pot-banging and it was pot-banging that led Pinochet to power in Chile.

Aside from the screams and fireworks and attempts by small groups to disturb public order, in keeping with extremist plans to create a tense situation, I admit that this activity, which was critical and festive at the same time, contained a message of deep social protest. It would be irresponsible on my part not to realize it was a call for change in the attitude of our leadership. It urged us to reconsider our behavior; it urged all of us who have leadership roles to consider society's important demands.

I will neither reject nor ignore the democratic, peaceful, and civilized protests of our people. There is a desire to change; there is a great desire to give Venezuela the leadership it deserves. It is not what some theoreticians of despotism want to make us believe: that it is an expression of support for the establishment of a dictatorial regime. It is actually the demand of a society ready for the most urgent and profound democratic changes.

I wish to say to our compatriots who protested on the evening of 10 March, we will meet their wishes and make our utmost efforts to meet their demands for transformation.

The goal should not be to point a finger at the culprits of the deterioration of democracy's legitimacy and its efficiency in order to solve the day-to-day problems of Venezuelans.

We recognize we have been unable to make ourselves fully understood. We have been unable to explain to all sectors of society the complex and very difficult economic situation of the country, as well as its unavoidable link with the international economic financial system to which we must adjust our policies, without giving up, of course, our sovereignty and interests. These situations condition our actions to correct the huge problems stemming from our traditional, artificial policies that have seriously distorted the habits and economic perceptions of the Venezuelan people.

We were also unable to rectify certain policies on time or to significantly improve, according to social demands, the rendering of basic services that had deteriorated following long years without proper maintenance. We have also been unable to stop the rise in crime as citizens have demanded. Social conflicts increased as a result of these situations. It reached its climax during the last few months of 1991. As I announced in my New Year's message on 30 December, various aspects of the social program scheduled to be implemented in 1992 will be submitted to Congress in March.

Without trying to excuse myself, it is important to recognize that my government has had to act during a period of dramatic economic crisis and violent reductions in fiscal revenues. These reductions were corrected in 1990 with the successful refinancing of the foreign debt. The leadership, to which we have contributed, has led the country through three long decades in attaining new and better levels of collective welfare. Many goals have been achieved. The semirural, backward, preindustrial, and illiterate condition, far from God's hands, in which our country was left following years of dictatorships, was transformed into a thriving Venezuela, whose citizens are capable of making demands, defending their rights, and protesting without obstacles.

This leadership, along with the people, built a democratic Venezuela. This leadership, however, was unable to understand and continue making the huge changes needed in society. It started falling behind. The sons of democracy grew and began demanding conduct aimed at modernizing society. It wants the correction of corruption and errors. The peoples' aspirations were not sufficiently satisfied. Our leadership was overwhelmed.

It is important to recover the active and clear role of our leadership. This is the opportunity, it is the biggest opportunity, to reform our leadership, but it is also the time of risk. We must accept this without fear. We must assume the importance of the situation by risking all our significance as leaders before the people. We will either be confirmed or, if we are incapable of facing challenges, we will be denied in the hearts of the people.

I want to make a special call to political parties as the basic institutions of democracy. The people have focused their hopes or lack of faith in the democratic institution on them. Confrontations, the lack of planned discussions, and the practice of patronage have led to a loss in representation, which we must urgently rescue to recover the people's faith in democracy.

It would, however, be deeply unfair not to recognize the country has started on the path toward major democratic reforms, promoted by the Presidential Committee to Reform the State and the political parties represented in the Congress of the Republic. The country has already advanced toward the direct election of governors and mayors—a reform in which our people found a renewed source of legitimacy in our democracy. In 1989, the Congress of the Republic approved the electoral reforms for candidates to the Congress of the Republic and legislative assemblies, which will substantially enhance the representation of those elected through the uninominal method, which is now significantly extended to the Municipal Councils.

On 5 March, I addressed the nation to announce the second phase of my government. At that time I said, and I reaffirm it now, that I am leading the efforts to overcome the crisis the country is experiencing by adopting a series of political, economic, and institutional measures. These measures are intended to expand the successful and positive aspects of what we have done and to correct what must be corrected. It is for this purpose, and without evasions, that I appointed on 26 February a Presidential Advisory Council. This group of distinguished Venezuelans assumed with commendable responsibility and diligence the task of submitting proposals to me, based on their enlightened criteria and broad consultations with different sectors of the country.

We noted the fundamental aspects of their recommendations, as I explicitly stated in my speech on 5 March, to the commissions of the Congress of the Republic when they came to inform me about the beginning of the 1992 period of sessions. On 11 March, I received the final report of the Advisory Council. The report was serious, balanced, and significant. In addition to making very important commentaries and observations, the Council members gave me a series of recommendations that are being studied with utmost care and with the same spirit of analysis and reform.

When they handed the report to me, we agreed that before they conclude their work, we will meet with the Council of Ministers on 17 March, the leaders of the National Congress on 18 March, and with a delegation of the political parties that same day. Moreover, I express my total respect for the members of this Council. For this reason, I have asked for their continued help. I know all of them have their differences with the government, to a lesser or greater degree. They would not have accepted the appointment for appearances, but to—which is what they are doing—draft the recommendations and proposals that, according to their free and enlightened criteria, they deem necessary to redirect our course in this hour of crisis. It is an hour of crisis that, in turn, constitutes a unique opportunity for Venezuelans to get in touch with each other again.

This is not the time to insist that our purpose throughout these three years of government has been to bring about a profound and final transformation of Venezuela. The truth is that we must continue with the policies that are positive and understood by society and amend the things we have done incorrectly or inadequately by making sure society understands us and by correcting our mistakes in expressing the purpose of our endeavors.

This attitude, totally devoid of arrogance, must guide not just the actions of the country, but all of us who comprise the leadership of the country in all fields.

Senators and Deputies, the decision we are making now is to comply quickly with the commitments we made in the Pact for Reform, which we solemnly signed in the Oval Room of the Federal Palace. We signed this pact to end the disaffection between the state and civilian society and to open a true path toward consulting people on single-slate voting [votacion uninominal] and the participation of neighborhood boards to make democracy a living experience for each Venezuelan. We are also doing this to resolve the irritating economic differences, without ideological or populist attitudes, that will end the dangerous contrast between two Venezuelas.

The recommendations of the Advisory Council have been basic for outlining the goals in this stage. Measures are being made that depend on the executive branch, many of which are difficult and complex in the economic, financial, and fiscal field, as well as in the institutional reorganization of public administration. We will follow through and implement them.

There are measures that depend on the joint efforts of the executive and legislative branches. I know this Congress is willing to work and to cooperate, and it is not exempt from the same problems of the other branches of public administration designed for a smaller and less complicated country. Now, with this democratic growth we are experiencing, this country has to produce the necessary adaptations to update its functions. Its authorities have engaged in achieving these internal reforms, which are now more indispensable than ever before.

The Advisory Council has also made recommendations for educational reforms. These recommendations will be studied urgently and will be adopted. We will make an unprecedented effort in the country for the restoration and improvements to the educational system. Likewise, along with the tremendous efforts being made this year on the infrastructure of the health sector, we will adopt the recommendations that the Advisory Council has made for decentralizing the public health sectors. We will also develop the specialized management of the health sector and promote the indispensable participation of the organized neighborhoods in planning and implementing medical services.

We will also implement the reorganization of social security, with the law promulgated by Congress that I signed on 11 March, as well as the programs of generic medications and the distribution of medications. These are not promises for an uncertain future. I announced this during my New Year's address as a vast social program, and this program is under way.

We presented to Congress the draft legislation on reforms of the judicial branch and a partial reform in the organization of the Supreme Court of Justice. These are indispensable elements for the judicial reform that Venezuelan society is vehemently demanding. In the same manner, we hope to approve the reforms to the law on political parties to contribute to the modernization of our political parties' organizations.

Accepting the recommendations of the Advisory Council, I proposed constitutional reforms to convoke a referendum to contemplate the option of calling a national constituent assembly. The constitutional reforms or convoking the national constituent assembly will improve our state of law with new constitutional provisions that will deeply modernize our institutional system. Reform or constituent assembly? That is the question in this moment of crisis.

Reform or a constituent assembly could have the same objectives, the same consequences, if there is sound reasoning and if the leadership exercises its ability to lead. If we were to have a preliminary debate, the decision on either option would be resolved more precisely. Debate is necessary. Debate is the starting point and we have already advanced in that debate to a great extent. The bicameral commission has been functioning for many years, so the Venezuelan Congress cannot be blamed for being indifferent to changes and reforms. As the Presidential Advisory Committee stated in its report, reform is necessary so the people's full constituent power will be restored.

The fight against corruption is a commitment and an action that cannot be postponed to guarantee the democratic future of Venezuelan society. I have made the decision to promote, at an urgent speed, the country's needs and all the measures necessary to strengthen the judicial branch so that it will become the fundamental battering ram to punish crimes against Venezuelans' resources and to prevent impunity. This will not be enough if the executive branch, the comptroller general, and the attorney general do not firmly unite in a common and well-coordinated effort. The government has already expressed its firm determination to lead this comprehensive task.

The crisis we face is not a crisis that accompanies the decline of a regime. I am convinced this is a crisis that, although no country might wish it, was necessary in order to face definitely this long process of deterioration of the country's institutions and from which democracy will come out strengthened. This attainment is within our hands and our resolve. This is what our people expect. I state this because I am convinced this is the type of structural crisis that developed throughout many years and that normally accompanies all periods of transition.

Venezuela has changed much, and for the better, in these three long decades of democracy. Paradoxically, it left behind its institutions, and this is the fundamental dissatisfaction of Venezuelan society. Therefore, a new model of democracy is necessary, jointly with the modernization of its leadership. We had already begun to design this new model of democracy, which we will now accelerate with in-depth reform of the Constitution. We will go from a centralized, subsidized, and paternalistic democracy, deformed by established corruption and flaws, to a more modern decentralized, productive, and honest democracy. The path is not easy, but there is no other way. It is a matter of accepting that we are willing to remove obstacles and resistance together and that we will not continue entrenched in intransigent and shortsighted positions. I am sure this is how we will act, as in fact, we have already begun to act.

In this crucial moment, each and every one of us must assume our duties with full responsibility. We have important tasks ahead of us. We should not accept the terrorism of rumors. We should not be convinced by those who preach that the country is on the verge of collapse, and we should not transfer the blame on each other.

Political parties, trade associations, labor unions, business associations, media, church, community groups, intellectuals, Armed Forces, and all organized sectors of society have ratified their commitment to democracy.

It would have been irresponsible to accept the fact that only through violence could we have accomplished the desired rectification and changes. Later, we would have realized we had dramatically returned to the past, as would have happened if we did not face the 4 February rebellion with unyielding courage and determination.

I am obliged to call to your attention the behavior of the Armed Forces. On 4 February, they did not step backward. The times of fear and uncertainty about the institutional behavior of the Armed Forces will never return. This has been certainly proven in the trying times we are experiencing. The division within the military had a serious and emotional effect on the Armed Forces. We must understand them.

The situation of the country cannot be alien to the concern of those who have been trained and have made the utmost sacrifice to serve the fatherland. They also understand and accept the apolitical character of the institution and its nondeliberating condition. Their respect of civilian authorities was successfully tested, and the nation also renovated its deep recognition and ratified its confidence in them.

We should feel more obligated to meet their needs and concerns. Each passing day, they should play a more important role beyond their mission to guarantee the independence and sovereignty of Venezuela, as well as to preserve constitutional order. They should be incorporated into the global task of national development.

I, as commander in chief, also have a delicate and basic responsibility that cannot be delegated, to preserve their professionalism and deal with all matters pertaining to

it, placing particular importance on their material, legal, and administrative needs. This should be done considering the new realities of the country.

Their norms of behavior, based on the clear and definitive concepts of hierarchy and discipline, should be reinforced by a relationship of closeness and understanding between top and subordinate officials who are attentive to the living conditions and problems affecting Armed Forces members. The high-ranking officers should base promotions and appointments on the credentials, aptitude, and merit of candidates.

I should personally supervise and ensure that the global plan of social welfare that we implemented last year is implemented immediately. I certify my willingness and determination to maintain permanent talks with all sectors willing to contribute to the perfecting of democracy, economic growth, and the social welfare of Venezuelans.

In the second part of my government, we are giving clear signals that we will build a society in which privileges and impunity will be eliminated. My government will intensify the struggle against corruption. We will demand that the processes at the Court of Guarantees [Tribunal de Salvaguarda], the investigations at the Judicature Council, and the processes at the Supreme Court of Justice be expedited.

We will continue to maintain the positive aspects of the adjustment of our economy. We will promote policies to redistribute resources through taxes or financial measures that will improve the standard of living of all the population. We will work to change drastically the character of income and wealth distribution because the people have made enough sacrifices, and we will not force them to make more sacrifices. The people should begin to feel the benefits of their efforts. This will be done by bringing their standard of living to the level appropriate to a country with Venezuela's resources.

However, we must definitely do away with the nostalgia for a prosperity that will not return to us easily. The country's wealth is now produced by the work carried out by each and every one of us.

As I said in the beginning of my speech, I will neither repeat the work done by my government nor will I detail the programs that have been and will be implemented. I already did this in my 5 March speech to the Senate and the Chamber of Deputies commissions that came to inform me, the head of state, of the beginning of their regular sessions in 1992.

My speech then included the measures recommended by the Advisory Committee—which met at the initiative of the government—regarding fiscal, financial, price, tariff, transportation, and housing matters, as well as the social program. Regarding the recommendations made by the committee, the government will continue to give priority attention to the social sector because it has been seriously affected by the economic adjustment program.

It must be noted that agriculture production grew 6.5 percent in 1991. This growth allowed the domestic market to be fully supplied and to reestablish the necessary reserves to ensure the country's supply of food. Such a positive situation was the result of important marketing and financial improvements. Examples of these improvements are the purchase of crops prior to production, the effective use of silos by private producers and firms, foreign exchange mechanisms to protect our agriculture production from imports, the elimination of tax exemptions on imports, the active participation of producers and agricultural groups in marketing their products, the clear-cut and impartial administration by an interministerial commission in the importation of products that still require prior authorization, the increase of Farm Loan Institute credit lines to small producers, the increase of private bank loans to the agricultural sector, and the improvement of road and irrigation infrastructures. These measures and policies prompted the production of rice and sorghum to increase by 60 percent and the production of poultry to increase 30 percent. The production of milk and meat remained stable.

My government maintains ICAP's [expansion unknown] credit rates at 3 percent for the peasant sector and will continue to uphold this policy. The rest of the producers receive subsidized rates. We will also continue to subsidize fertilizers and assign special rates for fuel, electricity, and water for irrigation systems.

It is true the agricultural sector has had to make big sacrifices, but it is equally true that it has been able to confront problems and tackle challenges. Our producers responded by increasing their productivity. I acknowledge and praise the efforts made by producers all over the country and their perseverance in confronting difficulties.

Starting in 1992, we will make an effort to increase and improve the quantity and quality of public investments in Venezuela's rural areas. We will increase the amount of available credit. We will consolidate and restore the existent rural irrigation, power, ports, and drainage systems, as well as renew rural housing and agricultural programs. The resources for these programs have been secured and will not be subject to income fluctuations. Thus, the program to improve the agricultural sector has been allocated more than 71 billion bolivares, and more than 27 billion bolivares will be invested in 1992 alone. This is more than a 250 percent increase over the public investment assigned to the agricultural sector the previous year. Moreover, we have already initiated over 40 percent of the road and irrigation programs included in the 1992 budget.

Agricultural investment plans of this type had never before been drafted in the history of Venezuela. Among the reforms I announced on 5 March to improve bank control measures, I ordered the finance minister to create a special unit at the bank superintendency to verify that credit is effectively being allocated for the

agricultural sector. Thanks to the initiative of the agricultural and agrarian policy commission of the Chamber of Deputies, which aimed to draft a bill for the registration of land ownership and property, more than 1.4 billion bolivars will be invested in 1992. This will allow us to grant 40,000 producers their land title deeds.

The approval of the antidumping law by Congress is essential, and it must include special measures to compensate for agricultural subsidies in the international market. Agricultural exports will continue to enjoy a special 10 percent subsidy, which will be paid to producers without delays.

These investment programs and the policies to open markets for farmers, in addition to improving the quality of life in rural areas, show our commitment to the agricultural sector in the entire country. Better production will be maintained, and the population will be better supplied.

Venezuela is facing a serious fiscal problem. Oil generated $1,800 per Venezuelan in 1981. This figure does not reach $600 today. We can no longer continue to finance expenditures—which as a society we have assigned to the government—with the sole contribution of our oil industry. To attempt this would have led us to hyperinflation and social deterioration. That was something we could not do, and that is why we have taken the path we have followed.

Unfortunately, this year we have once again faced a setback in the oil market, just when our economy had grown for two consecutive years. The fall in oil prices is significant, but these are precisely the times in which we have to remember history to avoid making mistakes. That is why it is advisable to continue on our path with the corrections we have agreed to make. We cannot commit the same mistakes that were committed in the past. Venezuelans must realize that a setback could represent the loss of three years of work, which have already yielded results. We have to realize today that oil is not enough to cover subsidies, and that is why we must have a market economy that can create the necessary confidence for foreign capital to come to our country to be efficiently invested. We want our economy to grow so that more jobs can be created.

To fight inflation we require a solid fiscal position. We need to avoid the exaggerated issuance of money and the depreciation of our currency.

No one likes to pay more taxes, but societies can agree to do so when the alternative is inflation or the deterioration of basic public services. That is why I mentioned in my 5 March speech the need to implement important fiscal measures that require the approval of the Congress. We will immediately submit the bill for your consideration. The luxury tax, the tax on productive assets, the tax code reform, and other measures will allow us to provide the resources required by the state to finance certain activities. We will maintain the principle of equality, according to which he who has the most must contribute the most.

I invite you to work on these reforms—which are fundamental to our economic program—in these sessions that are about to begin. I must point out, however, 431,000 jobs were created in the official economy in 1991. A total of 129,000 workers stopped working in the unofficial economy.

The private sector contributed to the expansion of jobs in the official economy by 88 percent, while the public sector barely contributed with 47,000 jobs. For every job generated in the public sector, nine were created in the private sector. In addition, the creation of 85,000 jobs led to a drop in the unemployment rate from 9.9 percent in 1990 to 8.5 percent in 1991. The significance of this achievement cannot be ignored.

Statistics on the sale of food also very clearly point to a recovery in peoples' basic consumption, with increases totaling 15 percent. One must recognize, as the Presidential Advisory Council has said, that the process to reform the financial system has advanced at a very slow pace. Society in general is demanding a more competitive and efficient system, a system that is more oriented to financing productive activities than to mere exchange and monetary transactions. The people are also demanding that supervisory actions, which the state must perform, be strengthened to guarantee the honesty of the transactions carried out in the financial market. Strengthening supervisory and follow-up systems is indispensable to ensure that the monies of depositors are productively transferred to enterprising businessman and not to the speculative financial torrent.

We will certainly grant greater autonomy to the Venezuelan Central Bank to diminish the government's possibilities of using mechanisms to finance expenditures by creating nonexistent [inorganico] money by the Venezuelan Central Bank. Throughout history, the countries with low inflation rates are those that have limited their use of monetary financing. All these things will be corrected if the Congress of the Republic accelerates the approval of laws that nurture the financial reforms. The government pledges to implement them without delay or hesitation. I will also face the problem of economic corruption, which has been greatly denounced, although little attention has been paid to it. Economic corruption involves using the state to generate private wealth, without taking the risks that normal business actions impose, or demanding privileges from the state to cover the inefficiency of poorly managed companies. We will aggressively impose sanctions on those how have unduly enriched themselves with the protection of the state.

We cannot go on letting companies go bankrupt and having the state pay their bills, nor can we let banks collapse and then have the state use its own resources to reimburse savers who trusted in the operations of those banks in good faith. We will not let anyone swindle the

government in collusion with government officials. We will be very firm in recovering the Agricultural Development Bank loans, collecting the endorsements [avales] issued by the Venezuelan Development Corporation and the Venezuelan Tourism Corporation, and implementing the appropriate sanctions in the cases involving fraudulent bank transactions. [applause]

Venezuelan men and women: I am doing my best to fulfill my duties and that of all my aides—a group now enriched by the presence of new ministers, all of whom are prominent Venezuelans—when I make special reference to the presence of personalities of the Social Christian Party, COPEI. Without forming a coalition with the Democratic Action Party or my government, the party leaders agreed to authorize distinguished party leaders to participate in the cabinet, without making any other commitment to the government. While COPEI remains fully an opposition party, they are here with the sole, praiseworthy objective of demonstrating their solidarity to solve the crisis, in response to the recommendations of the Presidential Advisory Council.

We are brought together in a great attempt at permanent national dialogue that has become an unchangeable goal at this juncture, when we have reorganized our economy and when we are about to devote ourselves, filled with Venezuelan passion, to achieving substantial improvement in the quality of life for our middle class and for the most impoverished sectors of our people.

I also promise that we will soon see results in the areas of health, housing, food, education, personal safety, and transportation. With the cooperation and initiative of governors and mayors, we must make each Venezuelan city a pleasant place to live, work, and relax. That is my promise to Venezuela for the next two years of government.

We are a country of talent. Contrary to what some would have us believe, Venezuelans are hardworking. Huge legions of Venezuelan men and women leave their homes before dawn each day to earn their bread by the sweat of their brows or to seek work so as to sweat and earn their bread.

The productive effort, the search for international markets, in sum, the production of wealth, is not the exclusive responsibility of the state. If it ever was, it cannot possibly continue to be. We must share burdens. We must reduce profit levels. We must better distribute wealth. We must develop a process of social solidarity in which, alongside competition, there is awareness that the needs of our fellow men have a limiting effect on the opportunities available to the more fortunate. We must have good hospitals, good medicine, and good police service, realizing that anyone who uses the property of the state for personal gain is harming us all.

I call on all Venezuelans and on the foreigners who live among us to embrace our democratic regime, the best of all regimes, now and forever. [applause]

Let us get to work, citizen senators and legislators. [applause]

Monagas State Holds Prodemocracy Demonstration

PA1203201592 Caracas Venezolana de Television Network in Spanish 1550 GMT 12 Mar 92

[Text] Monagas State became the first region of the country to hold a popular demonstration in favor of democracy. During the demonstration, Governor Guillermo Cal expressed his support for the government measures, which he said represent the democratic response to the popular demands.

Thousands of people gathered in downtown Maturin to state the need to reform the Constitution, call for a constituent assembly, punish corrupt officials, and reform the judicial branch to eliminate party politics from the administration of justice. In this regard, the governor verified his support for these demands, adding that he will do all he can to improve the social and economic situation of the population in Monagas, based on the premise that the democratic response is the best alternative.

[Begin Cal recording] It is true that democracy has made its mistakes, but that same democracy has ways to correct them. I said a few days ago that it was important to revise economic, political, and social policies in order to bring well-being to the communities. [end recording]

Eight Killed in 10 Mar Antigovernment Protests

PA1203170492 Madrid EFE in Spanish 1555 GMT 12 Mar 92

[Text] Caracas, 12 Mar (EFE)—The police reported on 12 March that the wave of protests, called the pot-banging bash [cacerolazo], carried out on the night of 10 March against President Carlos Andres Perez' administration, left eight people dead.

The deaths occurred when security forces clashed with groups of demonstrators who took to the streets in a noisy protest, banging pots and blowing horns to demand the president's resignation. Among those killed were professional basketball player Rafael Duran, a member of the "Llaneros de Guarico" team, who was shot by a machine gun from a moving vehicle in western Caracas. The other victims were killed by gunshot in various low-income sectors in the western part of the city.

Police units reported there were some attempts to loot businesses in the 23 de Enero, Cotiza, and Petare neighborhoods on the outskirts of Caracas, compelling the authorities to intervene to restore order.

Court Orders Additional Arrests, Releases

PA1303020592 Caracas Venezolana de Television Network in Spanish 0000 GMT 13 Mar 92

[Text] The Second Military Court issued eight new arrest warrants for Army officers accused of taking part in the 4 February uprising. At the same time, 290 people—both civilians and military—were provisionally released following preliminary investigations. Thus far, 163 arrest warrants have been issued since the trial began on 17 February. Colonel Ramon Moreno Natera, who heads the proceedings, reported that the court has no more information to consider in connection with the people charged with the aborted coup attempt, even though this may change as the case advances.

The case is currently in the arrest warrant issuance phase.